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CITY OF TORONTO

SUBMISSION TO

ROYAL COMMISSION
ON
METROPOLITAN TORONTO

H. CARL GOLDENBERG, O.B.E., Q.C., COMMISSIONER

PREPARED BY ERIC HARDY CONSULTING LIMITED



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ADOPTED BY CITY COUNCIL, MARCH 16, 1964



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HIGHLIGHTS OF THE CITY OF TORONTO'S AMALGAMATION BRIEF

Inequitable representation, unfair taxation and unduly cumbersome organization are pinpointed as major weaknesses of Metro which has led the City of Toronto to press for replacement of the present federation by outright merger of the thirteen area municipalities and the Municipality of Metropolitan Toronto.

The position which the City of Toronto has held since 1950 is that federation is not and can never become a fully satisfactory pattern of government for this metropolis. Metro has provided a means of transition from the divided jurisdiction which was threatening to bankrupt North York and Scarborough and to destroy greater Toronto's progress, and it has worked better and accomplished more than most people anticipated. Its usefulness, however, is running out. The longer it is continued, the more the City's future is threatened.

The City's brief deals with further shortcomings of the present Metro: federation has locked the City within outdated boundaries; held back the progress of local public services, especially in the suburbs; handicapped the development of the best administrative practices; and continued fierce competition among the thirteen area municipalities for industrial and commercial developments.

In urging amalgamation, the City is seeking a change which will restore stability in local government and satisfy the long-term objectives of the entire Toronto area. The City of Toronto contends that amalgamation offers the most complete and direct cure for the metropolitan area's current ills. It is the simplest and most logical governmental arrangement. Today, it represents an entirely practical and readily attainable objective.

REPRESENTATION

Fairness of representation has never existed on either the Metro Council or School Board and the situation grows steadily worse.

Between City and suburbs, the City was first at a disadvantage. As the suburbs grew, the balance has shifted and the City has moved into an increasingly favoured position.

The more serious inequity, however, is between one suburb and another and between the small suburbs and the City:

In 1963, North York had thirty-two times the population of Swansea but no greater representation either on the Metropolitan Council or the School Board.

The combined 1963 population of the seven smallest suburbs was only one-third that of North York and they totalled one-eighth of its area. Yet these seven little suburbs command a majority of the suburban votes on the Metropolitan Council.

Over the ten years, the three largest suburbs have added as much population as forty-nine Swanses without any gain in representation on Council or School Board.

A situation which so closely resembles the rotten boroughs of another day must not be continued. The inequities are so great that we could not hope to restore the balance through any tenable system of multiple voting.

The worst feature of membership on Metro is something quite different: the City-suburban balance which governs membership on the Council, the School Board and the Committees. This device pits the suburbs perpetually against the City. Antagonism is enshrined as the key-stone of the Metro system.

TAX BURDEN

A serious inequality in the weight of taxation has dogged the federation's footsteps throughout the full ten years of its life.

The taxpayers in Toronto have shared with the taxpayers of Scarborough the dubious distinction of the heaviest rate of taxation among area municipalities. In the past three years, the City of Toronto has displaced Scarborough as the municipality where the tax load is greatest.

Sharp differences in tax levels have continued to exist between area municipalities throughout all the years under Metro. In 1954 the City mill rate was 43.50, or 35.9% higher than Leaside's. In 1963 the residential rate was 65.20 mills or 40.4% higher than Leaside's and the commercial rate was 72.59 or 36.5% higher than Leaside's.

Metro has also made Toronto property holders suffer on water rates. The preferred wholesale rate which Metro originally granted this City in recognition of its substantial investment in water plant was first whittled down and, in 1959, done away with altogether. Between 1954 and 1963 Metro's sale prices for water to the City have gone up 93½ per cent. As a direct result of the Metro takeover, our own rates have had to be doubled; pre-Metro surpluses of the order of one million dollars a year have been replaced by a deficit over the ten years of \$64,000.

Higher Metro charges have come about essentially to meet the capital costs of expanding the supply to suburban areas. Were it not for Metro these costs would have been paid by the suburbs concerned.

On hydro, small municipalities like Swansea obtain cheaper power than they otherwise would because they are located alongside the City. Conversely, divided jurisdiction makes City rates higher than need be through unnecessary fluctuations in the power load.

Part of the explanation for the City's heavy tax rate is its better services — fire protection, health and library services, for example. But much of it is due to the inequitable conditions created or left by Metro. Here are examples:

On welfare the City of Toronto bears by far the largest portion of the total burden.

Non-shareable City expenditures on which Metro provides no help include (1963 figures):

- (1) \$439,000 for special items such as drugs, glasses, dentures; supplementary amounts for nursing homes care; and aid to recipients of government allowances,
- (2) \$100,000 net for nursing care, and
- (3) \$250,000 for nursery and day care centres.

The City's present non-shareable expenditures, including administration, exceed the municipal portion of the shareable total which is now being absorbed by Metro.

On school services the City's financial contributions under Metro far exceed its own school costs.

The City is contributing over \$200,000 a year towards the Metropolitan Toronto Planning Board but it is in a position to make little real use of that Board's services. On the other hand, it requires a planning board of its own costing \$400,000 a year.

Toronto accounts for forty-seven per cent of the total Metro assessment yet is saddled with sixty per cent of the tax exempt property. The assessed value of Toronto's

tax-exempt properties is approaching half a billion dollars and their real present worth is perhaps three times that much. Only a small proportion is eligible for payments-in-lieu of taxes from the higher governments.

As a participant in Metro, the City was required to contribute capital assets with a real net worth never precisely calculated but running into the hundreds of millions. Despite Metro's responsibility for maintenance of these assets, the arrangement is less than fair: the suburbs, as substantial beneficiaries, have not been required to contribute without reserve to the solution of the central City's problems.

CUMBERSOME ORGANIZATION

Formation of Metro added further to an already complicated and cumbersome organization.

Elected representatives serving at two levels average a bewildering number and variety of commitments.

Where before Metro, four clearances were required to build a school, seven are needed now on land acquisition and eleven for school construction. The change cannot help but slow down operations and add to the cost.

Since 1953 senior officials of this City have found it necessary to spend much time working out inter-municipal arrangements with Metro.

By comparison, amalgamation would vastly simplify operations:

It would eliminate thirteen municipal councils, eleven boards of education, ten local boards of health and one health unit, eleven library boards, ten hydro or utility commissions, eight planning boards and a score of other such bodies.

The number of civic departments would be similarly reduced. Notably, the considerable duplication of operations represented in the clerk's, finance, legal and audit departments would disappear.

The volume of council and committee enactments would shrink considerably. There would be far fewer by-laws and proclamations.

We would combine the annual pilgrimages to Queen's Park, cut back association memberships, simplify and standardize stationery and business forms.

When Metro was formed, a conscious effort was made to avoid needless duplication. But, over the years, the City and Metro administrations have moved further apart:

Metro arranged to set up its own real estate services.

It appointed its own traffic engineer.

Agreement could not be reached by the City Finance Department and the Metro Assessment Department to share expensive data processing equipment.

These are but examples of a general tendency for duplication to increase.

CITY AGAINST SUBURBS

The creation of Metro locked the City of Toronto inside its existing boundaries with no opportunity to expand but a responsibility to assist the suburban municipalities with their expansion.

Under Metro, the suburban municipalities have been assured of adequate water and sewer services, arterial roads and Metro-wide public transit. Through Metro they get the money they need for school construction and other essential purposes. As a consequence, they can compete harder to attract developments away from the City.

Under the present competitive conditions, Toronto must support concurrent developments in three expanding suburbs. Each expects a share of service extensions and capital funds. The economies of staged development cannot be fully realized.

As the central city, Toronto is continuing to achieve redevelopment within its borders. Its 1963 value of building permits issued was up 13.4 per cent over 1962 to set an all-time record. Yet the City's problems of land use are growing:

In 1961, it was reported that industrial employment had dropped off 11.2 per cent within the City compared with a decrease of only .7 per cent for Metro as a whole.

Between 1956 and 1960, the number of manufacturing plants throughout Metro increased slightly; over that same period, the City experienced a net loss of 440 manufacturing establishments.

Much of the City's housing is old and of poor quality. By 1980, it is expected that forty-two per cent of the housing will be more than sixty years old.

Already the average assessed value of dwelling units per capita within the City has dropped below the per capita average for *every* suburban municipality. Toronto's 1962 average of \$1,143 compares with \$3,156 in Forest Hill and a Metro-wide average of \$1,421.

The City is struggling also to retain commercial developments along major traffic arteries in competition with new shopping plazas in the suburbs.

POOR PROGRESS ON LOCAL SERVICES

The existence of Metro has worked to improve those services brought under Metropolitan control. Putting it another way: the attainments of Metro have been the achievements of merger. Metro progress on arterial roads, water and sewer, homes for the aged, policing, etc., in reality provides a strong argument for going further — to outright amalgamation.

The other side of the Metro coin is poor progress on services which remain local. Ten years after Metro, wide differences still exist between City and suburban services. In some fields, small suburbs continue to lag well behind both the City and the larger suburbs.

Here are examples selected from the more comprehensive review of services in the full brief:

One suburb, Swansea, still relies entirely on volunteer firemen, five others make some use of volunteers.

York Township remains the only suburb to have engaged directly in public housing. Only the City and three suburbs — North York, East York and Leaside — own the equipment needed to include operative dental services in their health departments. Most suburbs make no provision for ambulance services.

The City has idle capacity in its asphalt and concrete mix plant. The problem, which was increased by Metro's assumption of arterial roads, would have been eliminated or greatly curtailed by amalgamation.

The seven small suburbs are without specialized traffic engineering staff for their local roads.

The City of Toronto is recognized as helping to carry the suburbs in the maintenance of up-to-date building by-laws.

Divided jurisdiction is adding to the growing threat of an acute shortage of garbage disposal space.

All the suburbs continue to require temporary borrowing — a need which the City has eliminated by its six-installment tax collection system, converting its former interest cost of \$200,000 to an interest earned profit of half a million dollars a year.

The City's effort to fight Dutch elm disease was supported by the Metro Parks Department but frustrated by the less aggressive efforts of some suburban municipalities.

No area municipality has met the growing need for public marina facilities because no formula exists for sharing the cost.

Per capita differences in public library expenditures from \$5.03 in Leaside to \$1.27 in Swansea largely reflect differences in service levels.

BENEFIT OF CONSOLIDATED ADMINISTRATION

The City of Toronto provides seven staff functions on a centralized basis, more than any other municipality in the area. All are proven leaders in their field.

In four cases — pre-payment audit, legal, personnel and real estate services — Metro departments were modelled on the City departments.

In a fifth, central purchasing, Metro buys the service from the City.

For the two remaining — property management and automotive and industrial equipment maintenance — the pattern developed by the City is ahead of any other Ontario municipality.

The larger suburbs have been able to duplicate some of these centralized services: for the small suburbs, they remain quite beyond reach. Amalgamation would permit consolidation and expansion of these seven staff functions to serve the entire area, producing volume economies and permitting fuller use of specialized manpower and equipment.

Advantage from large-scale administration extends also to the operating departments. Several illustrations will show what amalgamation would make possible:

The City meets all its horticultural requirements through one growing greenhouse located in High Park; facilities to meet present suburban requirements could be similarly consolidated.

More accessible districts could be mapped out for fire protection, park maintenance and other such services.

All surveying could be performed or supervised by specialized civic personnel.

Mechanized bi-monthly issuance of pre-audited welfare cheques, which now applies within the City, could be expanded, encouraging better management of funds by welfare recipients.

Other civic facilities which the City now provides could be given expanded coverage: a traffic sign shop, a machine shop which can rebuild hydrants and water meters, garbage incinerators each of which must serve a minimum of 100,000 population, carpenter and paint shops, etc.

No private utility would think of operating in the Toronto area as our local hydros must do — as a number of separate independent distributors each responsible for some arbitrary portion of the greater Toronto territory. Telephone and gas companies enlarge their territories and alter their district boundaries as growth dictates. Hydro competes directly with gas but, in this one respect, on an unequal footing.

“PLANNING BY ASSESSMENT”

The inequalities in taxable capacity among area municipalities forces them into a fierce competition to gain for themselves new properties with the highest possible tax yield. Every area municipality is interested most of all in high-grade industry or top-quality commercial. They tend to live by what the Urban Development Institute has dubbed “planning by assessment”.

Worse still, this attitude to land use is accepted by those charged with planning responsibilities. In its draft official plan, the Metropolitan Planning Board admitted that local assessment ratios had to remain a matter of vital concern to each of the thirteen area municipalities and that this fact had been taken into account in their land use plan.

The Metropolitan Planning Board has not yet secured the adoption of its official plan. It may never be able to do so. It is torn between the desire to engage in planning which moulds

growth in a constructive way and the necessity, under present conditions, of bowing to the exigencies of the municipal tax situation in each area municipality.

Lack of metropolitan planning has greatly increased the land designated for industrial development beyond what is needed. Ten thousand acres could be removed from this classification without cramping development. A further reserve of 21,500 acres could also be dropped.

Indiscriminate high-density residential development is another by-product of planning by assessment. Similarly there is evidence that Toronto's comprehensive zoning by-law has had the effect of driving development to other less controlled areas in the suburbs.

We need true regional planning to stabilize desirable patterns of land use, improve communications, extend amenities and enrich the urban environment of our metropolitan areas.

THE EXPERIENCE OF OTHERS

Among the thirty-one Ontario cities other than Toronto twenty-five have secured major boundary extensions since World War II permitting growth to take place *within* their corporate limits.

Between 1945 and 1962, twenty-three cities more than doubled in area, while the increase for most of them was far far greater. Since 1945, enlargement of boundaries has enabled the thirty-one Ontario cities to record a seventy-three per cent population growth, if we include one city where the effective date of annexation has been delayed.

Where other cities have obtained a clear mandate for expansion, Toronto is made to remain as one of thirteen "have" and "have not" municipalities which are jockeying constantly for advantage in those fields where they remain supreme.

GROWING INSTABILITY

The timing of Toronto's latest application for amalgamation was dictated by the growing instability of the existing situation:

In January, 1961, Mr. Gardiner, as Metro Chairman, urged a review of the governmental system with a view to obtaining and implementing new legislation by January 1, 1963.

In doing so, he expressed his conviction that "no intermediate step" between Metro and amalgamation "would improve the system of government in this area". And he chose the same occasion to announce his own forthcoming retirement.

Mr. Gardiner's blunt approach led to studies by the Metro department heads and the Province's Department of Economics whose response was mixed and whose effect was further unsettling.

Next Long Branch applied for a lakeshore amalgamation and New Toronto countered by seeking a wider west-end merger. The City then had to go ahead with its own plans for amalgamation in its own defense.

In 1963, Metro's plans for a renewed effort at fire unification were postponed and then dropped without even naming the members to the intended committee of Metro Council.

In an attempt to placate its critics, Metro has taken on financial responsibility for the "shareable" portion of general welfare and the "approved" capital costs of schools.

While the financial relief in both cases is warranted and welcome, the result is to divorce the approving and taxing responsibility from the spending authority — to create an irresponsible climate which should not be looked upon as permanent.

COMMON FEARS

Because Toronto seems already very big, many people are fearful of the City's proposal for amalgamation. Five questions are asked and answered with the help of experience elsewhere:

Question: Do we need unification of all services?

Answer: Most, if not all important services would benefit from unification — enough certainly to warrant removal of the present out-dated structure. Once that point is reached the advantage of retaining any services under competing local jurisdictions disappears.

Question: Does big government grow more expensive?

Answer: Costs of bigness can be offset by the potential economies of large-scale operation. Bigness comes with metropolitan growth *not* through boundary adjustments. The metropolitan *federation* is itself complicated. It adds to the cost of big government and puts certain economies of large-scale operation which are possible under amalgamation out of reach.

Question: Can big government be sufficiently responsive?

Answer: Once a metropolitan area has become big, big government is needed to bring all of the area's problems within direct reach of its people. Metropolitan government should embrace the interests of its wide-ranging, most active citizens; it should be broad enough to serve all the industrial and commercial developments.

A ten-year review of Toronto's voting performances shows its citizens to be consistently stronger on turn-out than the average for the twelve suburbs.

Question: Shall we keep the familiar names, boundary lines and municipal practices?

Answer: We cannot avoid all change merely for reasons of sentiment. We can, however, build upon experience; we can adapt proven institutions, city government for one, to our needs in preference to evolving untried municipal arrangements. Amalgamation need not destroy respected names like Weston, Swansea, Long Branch or Leaside. We still recognize Yorkville, Riverdale, Rosedale, the Annex, Sunnyside and Parkdale all of which gave up their separate corporate existence more than seventy-five years ago.

Question: Will Toronto be too big some day?

Answer: In the foreseeable future, Toronto will neither be as big in area nor as large in population as many of the world's great cities. Before the turn of the century, New York City added 255 square miles to bring its area well in excess of 300 square miles and its population beyond three million. Our proposed amalgamation would embrace some 240 square miles and include less than 1¾ millions.

UNIFICATION OF SERVICES

After looking at the principles which should govern change to keep it constructive, the brief examines the alternatives for Toronto.

Should we proceed further by unification of particular services? These are the conclusions:

Local initiative cannot be relied upon to produce the needed result. Unification of

fire services, for example, was confidently predicted eight years ago in Metro's brief to the Gordon Commission. Yet it is no closer to realization today.

We could not proceed to unify even those services where the need is most widely apparent — education, fire protection, traffic control, libraries, welfare and housing — without heavily undermining the two-level system.

Further unification by services would be a most unhappy method of achieving amalgamation. It would *steadily reduce* the responsibilities of certain capable administrators with corroding effects on their work performance. It would *steadily enlarge* the powers of Metro bodies despite their growing departure from "rep. by pop.". It would *stretch out* the period of tension, conflict and administrative confusion.

BOROUGH SYSTEM

Accurately defined, a borough system is a federation of local urban municipalities within a metropolitan area. By this definition, London, England, has a borough system but New York City has not.

The London system which has been much admired is actually the product of a somewhat unsavoury struggle for the reform in which the City of London employed methods reminiscent of Tammany Hall in opposing a full merger, spent thousands of pounds upon advertisements and hired bullies to break up reform meetings.

The Toronto area has a borough system now. Presumably what the present proponents of a borough system want is a federation with area municipalities of more even size.

To have any practical hope of success, a new borough plan would have to:

- a) combine certain present municipalities without otherwise altering their boundaries,
- b) include two or more very large "boroughs",
- c) continue the split between inner and outer municipalities thus maintaining uneven financial conditions and growth prospects.

The advocates of either a four or five-city system would leave Scarborough, the municipality with the most serious tax problem, unchanged and without help.

On the basis of the incomplete analysis produced by the Ontario Department of Economics:

East York, Forest Hill, Leaside, Toronto, Scarborough and Swansea would all be worse off under either borough plan than under amalgamation.

Weston and North York would have little to choose between the two.

York Township would be worse off under the four-city plan than under amalgamation; under the five-city plan its position would be the same as under amalgamation.

According to the Province's analysis, therefore, Etobicoke, Long Branch, New Toronto and Mimico would be the only municipalities to be better off under one or other borough plan than under amalgamation; and their situation would be less favourable under any form of change than it is now.

A modified borough system would be a costly and wasteful way of bridging the remaining distance to a later amalgamation.

COUNCIL FOR ENLARGED CITY

The brief suggests one form of city council in order to show the practical possibilities. A council could be set up which is quite manageable in size — thirty-one members — and close to the people — twenty-four wards of about seventy thousand with one alderman per ward. Division of the City into six districts of four wards each would facilitate election

of the six controllers and prepare them for a city-wide contest for mayor. Controllers could be nominated by district with election by general vote — a plan put forward for Saint John, New Brunswick, in a previous Royal Commission Report by the present Commissioner, Mr. Goldenberg. The system of districts would enable certain business to be processed for city council by committees serving these smaller areas.

FINANCIAL CONSEQUENCES

The variation in mill rates under Metro is indicated by the following listing of 1963 residential rates for public school supporters in the thirteen municipalities:

Toronto	65.2
Scarborough	63.9
York	59.6
East York	58.0
Weston	56.405
North York	55.64
Long Branch	55.6
Mimico	54.0
Forest Hill	52.9
Etobicoke	52.7
New Toronto	51.7894
Swansea	48.48
Leaside	46.43

The present differences can be explained in five main ways:

- 1) differences in the overall tax strength within each municipality.
- 2) differences in the quality and extent of the municipal services furnished to the citizens and taxpayers of each municipality,
- 3) differences in administrative efficiency, resulting in greater or less value for the dollar on expenditures,
- 4) differences in the share of the financial burden or service benefits which an area municipality is called upon to furnish for the general advantage of the inhabitants of greater Toronto,
- 5) differences in the rates of grants paid out by the Province.

Other things being equal, we should expect the mill rates in the area municipalities to vary inversely to tax strength. To the extent that this is not so, one or more of the other four factors must apply. The municipality whose rate for its circumstances is high must be

- providing above average services
- contributing more than its fair share to the benefit of the greater area
- administering inefficiently
- suffering on provincial grants.

The municipality whose rate in relation to its tax strength is low must be in the reverse position.

To appraise the position, the tax strength of each area municipality has been estimated and measured against the 1963 mill rate with the following result. The municipalities are listed in order ranging from the City of Toronto whose taxes are most high in relation to taxable capacity through to the Village of Long Branch where taxation is low.

High Tax Level	City of Toronto Forest Hill North York and Scarborough Weston
Middle Position	Etobicoke Leaside and New Toronto East York and York Mimico Swansea
Low Tax Level	Long Branch

Under amalgamation, the whole area would be subject to a standard mill rate, except in suburban areas where reduced services are provided and lower mill rates already exist for this reason.

“Amalgamated” levies and mill rates were first arrived at by combining and averaging the actual 1962 operations for the municipalities composing Metro. The results are as follows:

COMPARISON OF MILL RATES FOR 1962

<i>Actual</i>	<i>Commercial Taxpayers</i>	<i>Residential Taxpayers</i>
City of Toronto	68.25	61.905
Leaside	47.38	42.69
Mimico	55.53	50.00
New Toronto	53.17	48.74
Weston	58.85	53.50
Forest Hill	57.42	51.80
Long Branch	57.49	52.20
Swansea	54.52	49.22
North York	62.11	54.93
Scarborough	68.74	61.22
Etobicoke	56.49	51.04
York Township	62.32	57.36
East York	62.02	56.23
<i>Amalgamated</i>		
Retaining Partial Exemptions	63.9542	58.2964
Eliminating Partial Exemptions	63.5171	57.9400

Next, an attempt was made to develop a budget based on the 1962 level of operations to take account of the possible savings and the inevitable added costs for improvements in service which amalgamation would produce. On this basis we arrive at the following required mill rates *for general purposes only* presuming the partial graded exemption is terminated, and leaving aside extraordinary transition costs:

Commercial — 36.6 mills
Residential — 32.8 mills

These figures compare with 1962 actual City of Toronto mill rates of 40.20 and 35.75 respectively and with rates from the mechanical summation of 1962 revenues and expenditures of 35.01 and 31.30 presuming the partial exemption disappears.

In other words, the minimum improvement of general municipal services consequent upon amalgamation would have been obtained for about one and a half mills more than the sum of present general purpose expenditures. Even so Toronto taxpayers would have been better off by about 3½ mills commercial and three mills residential.

The averaging of school expenditures would produce rates approximately half a mill higher than the 1962 City mill rates. Consequently, it should be possible to meet essential net increases in school costs without wiping out the full mill rate advantage of amalgamation to Toronto taxpayers.

According to our calculations, the reduced mill rate could be obtained despite the introduction of necessary improvements in certain services — fire protection is the obvious example.

The reduction would be made possible through anticipated administrative savings all told of the order of perhaps two million dollars. In addition, the uniform adoption of the six-installment tax billing system would altogether or very nearly eliminate temporary borrowing, bringing further substantial savings.

The Metropolitan School Board has calculated the annual contributions by the City of Toronto in excess of its own costs towards the support of pooled school services. Over the past ten years they have exceeded \$33¾ million. A proposed change in the maintenance assistance formula would raise the cost to City taxpayers to some \$10 million for a single year. Yet Toronto's school mill rate is higher than that of seven suburbs and its overall mill rate is above all twelve suburbs. Subsidization of school costs is a principal cause.

The form of distribution of the unconditional per capita grant has the effect of extracting a further contribution by City taxpayers toward the price of metropolitan government beyond the cost of pooled operations. From 1957 to 1962 the total undercredit to the City was just short of \$6 million.

Amalgamation will necessitate a further re-appraisal of the partial graded exemption which applies only within New Toronto and the City. If removal of the exemption should prove the proper course, the effect on individual taxpayers will not be extreme.

We have assumed that, following accepted practice in annexations and amalgamations, the combined grant position of the enlarged municipality would be no less favourable after merger. If the new city should be accorded health unit status, it could anticipate additional grant payments totalling more than one million dollars per annum.

Hydro unification would not, in general, produce sharp rate changes. Rate increases of over ten per cent would not be called for in more than two present suburbs and, in these, the adjustments might be cushioned.

Amalgamation would call for more substantial water rate adjustments. The three large townships would be the chief beneficiaries.

CHAPTER I

INTRODUCTION

In making this submission on behalf of the City of Toronto, we wish at the outset to express appreciation for the procedures which have been adopted by your Royal Commission to ensure that all the municipalities concerned and all other interested parties have an ample opportunity to formulate and present their views on the complicated question which is the subject of this inquiry.

Because of the position which Toronto occupies as the central city within the metropolitan area and as an equal partner with twelve suburban municipalities in the Municipality of Metropolitan Toronto, we are especially conscious of the many facets of the metropolitan government problem which must be painstakingly explored before your Commission can be in a position to frame an appropriate set of recommendations for the guidance of the Provincial Government.

The City of Toronto is anxious to give the fullest possible support to this objective. Towards that end, we have prepared a somewhat lengthy submission in which we have endeavoured to deal seriously and in as impartial a manner as possible with the major points at issue. For the same reason, we shall deem it a privilege to enlarge upon any point of this brief or to furnish your Commission with other relevant information or opinions. We have already responded to requests from the Commission staff for information needed to support your own studies and we shall welcome the opportunity to continue such co-operation in the months ahead.

HISTORICAL BACKGROUND

In 1834, when the Town of York was incorporated as the "City and Liberties of Toronto" it was granted surveillance of an extensive land area to accommodate future growth. The population then was virtually identical with that of Swansea today, whereas the area coming under its control was almost eleven times as great, resulting in an *average* density of less than 1.2 persons per acre. Indeed the new city was given access to so much land that no annexation was necessary for almost half a century.

Commencing in 1883, Toronto carried out no less than forty-five successive annexations. The last of these became effective a full fifteen years ago on January 1, 1949.

In relation to its size, this City's last major acquisition of territory occurred much earlier. Setting aside the annexation of Mount Pleasant Cemetery, Toronto has not brought in as much as one hundred acres of territory at one time since the year 1912. From then until the formation of Metro, the City of Toronto continued to grow without significant enlargement of its corporate boundaries.

The responsibility for resisting annexations, despite the seeming willingness of adjacent urban areas to be joined to the City, has popularly been attributed to the attitude adopted by the person who served as Commissioner of Works from mid-1912 until his death in September, 1945, Mr. R. C. Harris. We think it only fair to recognize, however, that successive City Councils must take prime responsibility for what happened. One further point: having witnessed the development of a number of independent suburbs, it is not surprising that the City was strongly opposed to annexing them in the depression years when, except for Forest Hill Village and Swansea, they were in default on their financial obligations.

During the 'thirties, the Province undertook two inquiries into Toronto's metropolitan problem. The second of these was interrupted by the outbreak of war. It was not considered feasible, we presume, to give attention to municipal reorganization while hostilities continued.

By the time attention was again focussed on the metropolitan problem, it had reached crisis proportions. The area was growing at a rapid rate and the suburbs where growth was concentrated were finding it extremely difficult to provide the service extensions needed to support the added population. Something had to be done. It was merely a question of who would take the initiative.

In 1948, Mayor Robert H. Saunders included in his Inaugural Address the suggestion that consideration should be given to the establishment of a borough system. The following year, his successor, Mayor H. E. McCallum expressed similar interest in the borough plan. But as Mayor McCallum's study of the subject continued his opinion altered.

On January 16, 1950, the Premier of Ontario had called a meeting of the heads of the City and the twelve adjacent suburbs within the County of York. He proposed that they form a committee for the purpose of investigating metropolitan government alternatives. The contention of Mayor McCallum was that he required a clear mandate from his own Council in order to be an effective member of what became known as the Toronto Area Committee. At a caucus of City Council at which heads of civic departments were present to advise the members, it was agreed by an overwhelming majority to take a stand in favour of amalgamation and, in order to leave no doubts as to the City's position, to make formal application accordingly to the Ontario Municipal Board. The by-law was passed on February 2, 1950.

In charting such a definite course, the City was influenced by these facts:

1. The Town of Mimico had long since applied for the creation of an inter-urban administrative area.
2. The Toronto and York Planning Board had come out in favour of an amalgamation embracing eight municipalities lying between the Humber River and the Township of Scarborough.
3. The First Report of the Civic Advisory Council's Metropolitan Problems Committee had been published in which the need for metropolitan government was indicated and alternative forms of metropolitan organization were described.
4. The Village of Long Branch had applied in its turn for amalgamation of the municipalities west of the Humber.

To the people then serving on City Council, it did not seem like a time to be indecisive.

Despite Toronto's initial disappointment with the Ontario Municipal Board's denial of the amalgamation application and with the Board's advocacy of a compromise proposal to establish a federation, this City has participated fully in the operations of Metro and has contributed its share to Metro's record of achievement.

On May 2, 1957, the Province of Ontario appointed a five-member commission to inquire into the affairs of the Municipality of Metropolitan Toronto. As the Order-in-Council pointed out, a metropolitan government had been in operation for a period of more than three years and it was deemed desirable that the constitution and organization of the Municipality of Metropolitan Toronto be reviewed.

Commenting on this development, the Bureau of Municipal Research wrote:

"From the wording of the Commission's terms of reference, it seems evident that the Ontario Government intends that the Commission's main attention should be

directed to reviewing the pattern of organization of the Metropolitan Council and School Board together with the extent of the success of their performance, including the operations of the departments of civic government that are responsible for them."

As a consequence, the briefs that were filed with the Commission did not for the most part set out to challenge at all seriously the suitability of the federation form.

Not long before, the Metropolitan Council had been successful in recommending to the Province the unification of policing, most licensing and certain other functions. Again, while police unification was pending, the Metropolitan Municipality's brief to the Royal Commission on Canada's Economic Prospects had indicated the likelihood that fire unification would follow within the next five years. Despite widespread dissatisfaction with the growing imbalance in Council and School Board representation and some uneasiness about other developing problems, it was not in Toronto's opinion the time to rock the boat. And so the City's brief confined itself to an introductory statement reiterating a favourable attitude to amalgamation and went on to dwell on improvements that could be made meanwhile in the organization of the established metropolitan government.

The timing of Toronto's latest application for amalgamation was, like the earlier application, not entirely of this City's own choosing. For a considerable length of time, Mayor Nathan Phillips had been an outspoken advocate of amalgamation. Then in January, 1961, the Metropolitan Chairman, Mr. Gardiner, recommended that the form of government for Metropolitan Toronto be studied by the Council and reported on by September 1st in order that legislation might be sought at the 1962 spring session for implementation on January 1, 1963. The heads of departments of the Metropolitan Municipality were set the difficult task of fact-gathering from people who were bound to be antagonistic. To assist the Metropolitan Council, the Province undertook to make available the services of its Department of Economics to prepare studies on the financial effects of changes in the governmental arrangements for the metropolitan area. The report from the heads of departments was completed in October, 1961, and the Province's contribution from its Department of Economics was presented in November. The response to these two documents was mixed and the effect was unsettling.

On December 20, 1961, the Village of Long Branch passed a by-law authorizing an application to the Municipal Board for amalgamation of the lakeshore municipalities. The preliminary hearing was not held until the following mid-summer. The Board's direction for an exchange of pleadings followed on August 16, 1962. On September 24, 1962, the Town of New Toronto approved a statement of defence and passed a by-law authorizing an application for amalgamation of Etobicoke and the lakeshore municipalities and the addition by annexation from Toronto Township of the Malton area. Throughout all this period, the City of Toronto had merely been holding a watching brief on the Long Branch application. It became apparent, however, as a consequence of a meeting of the Board of Control with Premier Robarts on September 26th that something further was likely to be required. Following an exchange of correspondence with the Secretary of the Municipal Board, the City decided to declare itself in its own defence and, for this purpose, sought and obtained an extension of time for filing the necessary papers. Our by-law authorizing an application for amalgamation of the thirteen municipalities was passed by Council on October 9, 1962, and was made the basis for our statement of defence issued shortly thereafter.

The growing instability of the situation is further indicated by subsequent events. The Police Village of Malton renewed an earlier application for incorporation. The Township of North York sought to annex some land from the Township of East York. The County of Peel attempted to have New Toronto's application quashed. The Township of Toronto began extended consideration of a motion that it seek city status.

PREPARATION OF THIS SUBMISSION

To assist in the marshalling of evidence for presentation before the Ontario Municipal Board, Toronto engaged a municipal consultant, Mr. Eric Hardy. The terms of his retainer were broad enough to allow for the eventuality that the problem would be taken out of the Municipal Board's hands and Mr. Hardy has therefore assisted the City throughout the preparation of this submission. To this end, he has interviewed all members of Council, all heads of civic departments and the responsible officials of all associated local boards. Suitable liaison has been maintained with both the Toronto Board of Education and the Toronto Public Library Board, the two bodies which decided to file direct submissions of their own.

In the development of the submission, the consultant worked closely with the late mayor of Toronto and with the present Mayor. At all stages of the undertaking he had the advice of a working committee composed of two senior civic officials.

Upon completion of the brief in final draft form, it was reviewed by the Board of Control and reported upon to City Council as follows:

REPORT NO. 10 OF THE BOARD OF CONTROL FOR CONSIDERATION OF THE COUNCIL OF THE CORPORATION OF THE CITY OF TORONTO ON MARCH 16, 1964.

The Board submits the draft Report prepared by Mr. Eric Hardy, Consultant, containing the submission of the City of Toronto to the Royal Commission on Metropolitan Toronto, copies of which have been provided to all Members of City Council.

The Board recommends that the Report be approved and that Mr. Hardy be authorized to present it to the Royal Commission on Metropolitan Toronto on the understanding that the presentation of the Report at this time will in no way prejudice the submission of further supporting evidence by the City.

Respectfully submitted,

PHILIP G. GIVENS, (MAYOR),
Chairman.

Board Room,
Toronto, March 4, 1964

The brief was thereupon considered at special meeting of City Council convened on March 16, 1964 together with a summary of the brief prepared subsequently to the meeting of March 4th of the Board of Control for the information and assistance of members of Council and constituting part of the brief.

Upon the question that Report No. 10 of the Board of Control be adopted, Controller Archer requested in pursuance of the rules of Council that a separate vote be taken of the Council on the two recommendations of the Board of Control contained therein.

His Worship the Mayor then put the following questions:

1. Shall the report prepared by Mr. Eric Hardy be approved?,
upon which the yeas and nays were taken as follows:

Yeas: His Worship the Mayor, Controllers Lamport, Dennison and Orliffe, and Aldermen Davidson, Clifton, Ostrander, Beavis, Tidy, Ben, Birchard, Johnston, Grayson, Temple, Horkins, Wardle, Piccininni, Sigsworth and Brown—19.

Nays: Controller Archer and Aldermen Rotenberg, Hodgins and Robinson—4.

Decided in the affirmative by a majority of 15.

2. Shall Mr. Hardy be authorized to present the report to the Royal Commission on Metropolitan Toronto on the understanding that the presentation of the report at this time will not in any way prejudice the submission of further supporting evidence by the City?,

which was carried unanimously.

By prior arrangement, further financial data and appropriate supporting narrative were prepared and reviewed and approved by City Council at its meeting on April 13, 1964, with none present dissenting. This supplementary material was thereupon incorporated into the City's submission.

CHAPTER II

THE CITY'S VIEW OF THE PROBLEM

THE TERMS OF REFERENCE

An essential prerequisite to a satisfactory Royal Commission inquiry into Toronto's metropolitan problem is that the Commission be furnished with adequate terms of reference. The Order-in-Council appointing the present Commission affords ample scope for a complete investigation and full freedom to advance whatever recommendations appear warranted.

There is one aspect of the terms of reference on which we wish to comment. In the way the Order-in-Council is worded particular emphasis is placed upon an examination of the structure and operations of the present metropolitan federation, the apparent objectives it was intended to serve and the best method of pursuing these same objectives in the future.

We welcome such specific studies knowing that they constitute an essential prerequisite to the broader consideration of the local government requirements for this area. We trust that as a consequence of the weighing of evidence placed before you and of your own investigations and deliberations the Royal Commission on Metropolitan Toronto will make recommendations which meet future needs as well as present exigencies and which are in full accord with the best long-term objectives for the central city and the greater Toronto area.

THE PRESENT FEDERATION

In the Ontario Municipal Board report of January 20, 1953, the section which introduced the proposal for metropolitan government began:

"In the opinion of the Board the basic problem to be solved in the Toronto metropolitan area is indicated in the significant contrast between the underlying social and economic unity of the area on the one hand, and the illogical and inequitable but extremely rigid divisions of political jurisdiction and available taxable resources on the other."

Following upon that forthright statement, the proposed form of solution seemed unduly hesitant. At the same time, we were bound to recognize the Board's concern with the extent of the leap from full independence to complete merger, both in administrative and financial terms, and with the entrenched opposition of eleven of the twelve suburbs.

From the outset, it was indicated by the Municipal Board and emphasized by Premier Frost that the metropolitan federation was being established to overcome the immediate physical and financial problems of urban growth. Whether it was to remain in being or to serve only as a stepping stone to amalgamation was something to be settled later. In any event the die was cast and the position had to be accepted. It was perhaps more palatable because the case for amalgamation seemed already reasonably established. The major task remaining was to bridge the financial and administrative barriers and to acclimatize the people to the trend of events.

Unfortunately it is only human nature to develop vested interests in support of established institutions. Metro, we fear, might be perpetuated for that barren reason.

The First Report of the Metropolitan Toronto Commission of Inquiry, issued in March of 1958, announced its intention of publishing a second report which would "present in some detail a comprehensive review of the remarkable accomplishments of the metropolitan government and organization." The First Report went on to say that "the issue of this section of the

report will be awaited with great interest not only by the citizens of the Toronto Metropolitan Area but also by a very considerable number of official bodies in provincial, state and local governments in many parts of Canada and the United States and, indeed, in other parts of the world." In fact, the second report has never been released! More significant was the Commission's decision to endorse the federation "both in principle and in detail" and to brush aside the criticism of federation which was available to it, some of which had been specifically directed to its attention.

The interest which Toronto's metropolitan federation has evoked in other parts of the world provides for some people an inducement to give it permanence.

Writing for an American audience during a sabbatical year spent in California, Dr. Albert Rose of the University of Toronto's School of Social Work included the following statement in an article entitled "The Case Against Total Amalgamation in Metropolitan Toronto":

"It is not an exaggeration, however, to state that Metropolitan Toronto is widely regarded as one of the most significant political innovations developed anywhere in the post-war period. Nor is it extravagant to suggest that total amalgamation and the dissolution of the Municipality of Metropolitan Toronto will set back seriously the numerous efforts at governmental re-organization in metropolitan areas in the United States."

If Canadian metropolitan areas had been bound by that reasoning, we would still be looking to the single purpose metropolitan authority as our contribution to metropolitan government, since Canada led the North American continent in that "innovation" over half a century ago with its Greater Winnipeg Water District.

The truth of the matter is this: if as a consequence of a ten-year federation we can move forward the remaining distance to amalgamation, we shall have provided a much better model for metropolitan reform than if we should stop halfway and learn to live with inequitable representation, unfair taxation and unduly cumbersome organization.

Returning to our theme, it is all too easy for the members of the establishment which has served Metro for a full decade to become over-enthusiastic advocates of its retention. In illustration, after ten years of life, the Metropolitan Planning Board has still not succeeded in securing the adoption of an official plan and, as we shall attempt to demonstrate, their efforts at planning have met with no more than partial success. Yet the report which they themselves put together for the metropolitan brochure, *Ten Years of Progress*, confidently notes: "Metropolitan Toronto stands as one of the few areas in North America which carries on effective metropolitan planning."

The position which the City of Toronto has held since 1950 is that federation is not and can never become a fully satisfactory pattern of government for this metropolis. It has provided a means of transition from the divided jurisdiction which was threatening to destroy greater Toronto's progress and it has worked better and accomplished more than most people anticipated. Having said that, however, we must reiterate our conviction that the federation is wrong in principle.

A metropolitan community like ours should not have to continue as a group of "have" and "have not" municipalities — municipalities with unequal prospects for improving their taxable capacity under *any* system of revenue raising which reserves some measure of financial independence to each separate municipality and places upon each some degree of financial responsibility. The joining together of the area municipalities for certain limited purposes as components of an over-riding metropolitan municipality cannot be expected to eliminate

the jockeying for advantage in those fields where the area municipalities remain supreme. The resemblance to the difficult relationship between Canada and its provinces is all too obvious.

As Mr. F. G. Gardiner put it in a speech to the Canadian Club of Winnipeg in September, 1960:

"All the synthetic and artificial boundaries to the contrary, every metropolitan area is one geographic, one economic and one social unit; and whether we like it or not it will have to be dealt with on that basis."

Our City would be the first to recognize that the establishment of Metro gave a green light to a flood of public and private developments throughout the Toronto area. Metro has brought notable progress, but at a heavy and increasing price to the central city. With no opportunity for physical expansion, the core area must wage a constant battle against a threatened deterioration of land use. Yet currently it is paying close to half the cost of mammoth capital undertakings whose major purpose is to support suburban growth. And the crowning injustice is this: the foundation on which the suburban expansion is being built includes the right to benefit from huge capital assets built up by the City through thrifty management and at the expense of its taxpayers and turned over to Metro without compensation. The idea that such assets belong to the whole area and need not be paid for would make sense if all parts of the metropolis were contributing without reserve from their own stores of accumulated assets and from their present and growing capacities. But such has not been the case.

Unfortunately the analogy of Metro is to a poker game in which each area municipality is holding its own stack of chips and is most of all interested in what it can take out of the pot as the game proceeds.

In 1950 the City contended that amalgamation was the basic governmental reform which was needed. The most telling objections to it at that time were rooted in the extent of change which was necessary to bring it about. Indeed, the pent-up problem of divided jurisdiction was then near the breaking point, a situation for which our City must as we have said share responsibility. The metropolitan federation brought an end at least to the extreme frustration. It proved an obvious boon to the suburban municipalities and especially to the three fastest growing townships. For Toronto, however, the returns have been decidedly mixed, as we shall endeavour to show.

Today, our City believes that amalgamation is still the chief goal of governmental reform. Other problems require attention including:

the determination of the most suitable outer boundary;
the establishment of satisfactory municipal institutions to serve the distinctive urban areas which surround Metro and reach out far beyond it;
the fostering of improved channels of communication between the electorate and the municipal authorities to match our growing size; and
the development of a more efficient municipal machine to execute the growing range and complexity of municipal responsibilities.

The City of Toronto is asking for amalgamation now on three chief grounds:

1. Amalgamation offers the most complete and direct cure to current problems of taxation, representation and organization.
2. Such an outright merger is the simplest and most logical governmental arrangement, offering the best prospects for continuing achievement.
3. Amalgamation of the thirteen municipalities and the Metropolitan Municipality in which they are joined is an objective which is entirely practical and readily attainable.

CHAPTER III

THE CITY'S POSITION IN THE METROPOLITAN COMMUNITY

POPULATION

The City of Toronto had a 1963 estimated population of 642,917. This represents a decline from an estimated peak figure of 696,555 persons in the first year after World War II, or a drop of 7.7 per cent.

The Metro Assessment Department acknowledges some difficulty in compiling accurate population estimates. Its figures differ considerably from the census counts. Consequently, we are reproducing census data for the City of Toronto, the twelve adjacent suburbs within Metro and the thirteen municipalities composing the outer planning area. The information available from this source is sufficiently accurate and detailed to show the general position.

CENSUS POPULATION DATA

<i>Year</i>	<i>City of Toronto</i>	<i>Twelve Adjacent Suburbs</i>	<i>Outer Planning Area</i>
1921	522,942	81,192	—
1931	627,231	176,092	—
1941	655,751	236,428	—
1951	675,754	441,716	77,998
1956	667,706	690,322	117,783
1961	672,407	946,380	159,091

Toronto's population peak came at the end of, or shortly after, World War II. The precise timing was accounted for in part by the doubling up of families when housing was short and their later migration to the suburbs as the housing stock was expanded.

As noted earlier, the City virtually ceased enlarging its boundaries in 1912. It took thirty-five years, however, for population within the City to reach the saturation point. Over the same time span, the suburbs were also expanding and at a much faster rate. By the time the City's development was complete, the twelve adjacent suburbs had grown to about 300,000 and the surrounding area, designated later as our outer planning area, was in turn beginning an overflow development. By 1956 the twelve suburbs had a population clearly in excess of the City while the urban population in the outer planning area was well over the 100,000 mark.

The City of Toronto has reached the position of a typical core city. Residential population has started to decline as land use in the downtown area shifts from housing to other uses. Following the normal pattern, the area of greatest residential density is gradually moving outwards, further and further from downtown. The moving density line has been demonstrated graphically in the 1959 draft official plan of the Metropolitan Toronto Planning Area.

Today's stable population level within the City of Toronto is masking a very considerable movement of people. The City has become the first stopping place of most immigrants to Ontario. The City of Toronto Planning Board estimated as the result of a survey carried out in the summer of 1960 that 385,500 persons had moved into the metropolitan area from foreign countries since the 1951 census and noted that virtually all of them settled initially within the corporate limits of the City.

Between 1951 and 1961, the Italian population increased by 59,457 and others from continental Europe by 55,048, including 19,163 Germans, 6,334 Poles and 5,699 French. Persons of Asiatic origin increased by 4,193. On the other hand, there was a net drop of 117,445 in the number of people of British origin and a sizeable reduction — 26,132 — in the number of Jewish people.

The point we make is that this migratory flow of people adds greatly to the problems of government and especially to the demands upon the local school authorities and those concerned with health, welfare and recreational services. Over the past decade, immigration alone has probably been responsible for a fifty per cent increase in the use of Toronto's parks.

LAND USE

Today as the central city of a great and thriving metropolitan area, the City of Toronto contains much development to be proud of. In the downtown area mammoth skyscrapers identify the huge financial institutions — the banks, insurance and trust companies centred in the City. Nearby are the two great department stores which provide the focus for much important commercial development. Further north is another department store. Elsewhere are rows of shops of high fashion while the whole downtown area is studded with smart restaurants.

Within the City are the great hotels which make possible Toronto's position as a top convention centre. Close by are the central rail terminals and the waterfront with its prestige industrial properties. The entire port development inside Metro lies within the City of Toronto. So too is the Island with its downtown airport and extensive recreational facilities.

The City of Toronto is the seat of the Provincial Government and of the Province's largest university. Its museum and art gallery are outstanding cultural centres. So too are its concert halls and theatres. Toronto is noted also for its fine churches, some of great historic importance. We can go on to speak of the expanded Ryerson Institute and the host of private art galleries which have been springing up. Toronto is the home of huge hospitals, including the famous Hospital for Sick Children which draws its patients from the far reaches of the Province. Here too is the Canadian National Exhibition with permanent buildings housing a succession of special shows and exhibits throughout the full twelve months of the year. The exhibition grounds provide another major park area, while further afield High Park and Riverdale are among the largest and best-used city parks on the continent.

The City of Toronto also contains many residential developments of the highest quality, both apartments like those flanking Avenue Road above St. Clair and well kept family homes.

We have catalogued some of the City's important assets because we recognize that they have given this municipality great strength. Toronto contains other uses of land, however which are inevitable components of a metropolis but less of an asset to the municipality.

Four years ago the City Planning Board undertook a comprehensive study of Industry and Warehousing in the major industrial areas in order to define and tackle the obstacles to retention of industrial land use within the City. They found that established industries were faced essentially with four problems:

- “1. the search for suitable space for expansion;
2. the inadequacy of transportation facilities;
3. the lack or high cost of parking space;
4. the system of taxation which applies to industry.”

The survey also disclosed a number of advantages of remaining in the City. The chief of these was market convenience. Availability of labour and of raw materials were also mentioned frequently. Yet even the listed advantages underscore the vulnerable aspects of Toronto's situation. A large number of industries stressed the importance of an established location, an existing capital investment or the high cost of moving as reasons for wanting to stay where they were.

But a number of companies had no intention of staying. Of 1,026 firms interviewed, 134 expected to move within the next few years. While not all would leave the City, in the absence of aggressive action to make suitable properties available most might be expected to do so.

The City has a problem with its shopping areas, also. Ribbon developments along major traffic arteries have an uphill battle for survival except in prime locations. Street parking restrictions help to clear through traffic but discourage short-time shopping. Off-street parking becomes necessary but not a total remedy. As rented stores have changed hands, the quality of merchandising in some districts has drifted downwards. Vacancies have become more frequent. Businesses which hope to flourish move elsewhere to do so.

Much of the City's housing is old and of poor quality. The Urban Renewal Study in 1956 showed that seventeen per cent of the housing in the City of Toronto was more than sixty years old; by 1980, even allowing for substantial replacement, forty-two per cent of the housing will be more than sixty years old. Already the average assessed value of dwelling units per capita in the City has dropped below the per capita average of *every* suburban municipality. The position is set out below.

1962 PER CAPITA ASSESSMENT OF RESIDENTIAL PROPERTIES

Forest Hill	\$3,156.27
Leaside	2,077.77
Swansea	1,936.46
Etobicoke	1,803.43
North York	1,800.76
Weston	1,545.36
Mimico	1,502.23
METRO AVERAGE	1,420.78
East York	1,406.18
Scarborough	1,347.26
York	1,249.94
Long Branch	1,184.87
New Toronto	1,147.96
CITY OF TORONTO	1,142.66

SUBURBAN COMPETITION

The City is not blind either to the sources of its most serious competition for preferred land uses — the suburbs. Mammoth shopping plazas in the great suburban townships account for an increasing proportion of the total retail business. The Metropolitan Toronto Industrial Commission must turn increasingly to suburban areas to offer the kind of factory sites which are most

in demand, the large acreages where one or two storey plants can be erected with plenty of room for future expansion. The alternative is for plants to locate entirely outside the Toronto area.

Symptomatic of what is happening, the Bureau of Municipal Research recently reported that industrial employment in 1961 had dropped off 11.2 per cent within the City compared with a decrease of .7 per cent for Metro as a whole. The value of manufactured goods, they noted, rose in the City by four per cent whereas the Metro-wide increase amounted to fourteen per cent. And finally, the number of manufacturing plants throughout Metro increased from 4,704 in 1956 to 4,741 in 1960 but the City of Toronto experienced a net loss of 440 manufacturing establishments over the same period. "The movement of manufacturing from the core city to the periphery of the metropolis is clearly evident from these figures," the Bureau commented.

A number of other suburban developments compete with and detract from the City's position. With its new terminal now open, the International Airport is a business focus of great and growing significance. Although the old Woodbine track continues to operate under the name of Greenwood, the new Woodbine has taken the larger share of business out to Etobicoke. Similarly the west end produce market and truck terminals have reduced the relative importance of the old St. Lawrence market area. Again, the marshalling yards for the Canadian Pacific Railway at Agincourt and the new yards for the Canadian National in Vaughan Township west of Concord will absorb the increases in railway freight operations and draw more and more industrial development from the City's heart.

Downtown, the expensive metropolitan road developments, of which the Gardiner Expressway stands first, are not entirely beneficial to the central city. A study of downtown transportation carried out for the City Planning Board in August, 1962, explored the origin and destination of persons entering the downtown core area which included the territory from Jarvis to Simcoe Streets and from Dundas south to the railway. Out of a total of 361,493 persons who entered this core area on the survey day, 44.9 per cent were merely passing through with destinations elsewhere. Today the proportion of through traffic on the Gardiner Expressway alone would be notably higher.

Another feature of Toronto's situation as a central city is the removal of much valuable property from the taxable portion of the assessment roll. Throughout the thirteen municipalities, exemptions which in most instances must be granted, covering the properties of the Federal, Provincial and municipal governments, churches, private schools, universities, charitable institutions, etc., in 1963 took no less than 14.3 per cent of total assessments out of the taxable category. In arriving at this figure we have not counted the partial graded exemptions which the City of Toronto and the Town of New Toronto choose to grant to certain residential property holders. The City of Toronto accounts for 47.32 per cent of the total Metro assessment yet it is saddled with 60.05 per cent of the exempt property. The figure does not include the value of land taken up in road allowances.

Table I which follows presents precise information on the nature and worth of tax-exempt properties within the City of Toronto. It reveals the fact that federal properties, which are eligible for substantial compensating payments in lieu of municipal taxes, and provincial properties, which produce grant assistance on a more restricted basis, together constitute a comparatively limited share of all tax-exempt property.

At assessed value, such properties are now approaching half a billion dollars value. Their real present worth would be perhaps three times that much.

TABLE I
EXEMPT PROPERTIES WITHIN THE CITY OF TORONTO

1963 Assessment for 1964 Tax Year

<i>Class</i>	<i>No. of Accounts</i>	<i>Assessment</i>		<i>Total Exemption</i>
		<i>Land</i> \$	<i>Buildings</i> \$	
Crown Properties — Canada	42	6,063,092	18,451,213	24,514,305
Federal Agencies	5	402,400	1,128,825	1,531,225
Crown Properties — Ontario	79	13,560,153	21,169,537	34,729,690
Provincial Agencies	19	1,507,084	3,106,465	4,613,549
Provincial Institutions	24	482,970	2,806,062	3,289,032
Ontario Hydro Electric Power Commission	58	3,118,807	4,051,615	7,170,422
City Properties and Parklands	854	47,172,358	17,231,975	64,404,333
Canadian National Exhibition	13	1,190,230	12,464,200	13,654,430
Toronto Library Board	17	766,674	1,347,040	2,113,714
Toronto Harbour Commissioners	174	16,922,369	11,927,807	28,850,176
Board of Education and Separate Schools	169	13,860,935	55,904,645	69,765,580
Metro Properties and Parklands	624	15,261,759	12,364,716	27,626,475
T.T.C. Subway Substructures	32	281,425	12,496,536	12,777,961
Other Municipalities	8	21,677	—	21,677
Universities	178	24,134,624	32,768,200	56,902,824
Independent Educational Institutions ..	28	1,084,489	3,150,533	4,235,022
Service and Welfare Agencies	57	1,158,227	2,112,096	3,270,323
Recreational Agencies	22	749,363	2,392,271	3,141,634
Cultural Institutions	6	1,576,955	1,164,200	2,741,155
Burial Grounds	9	5,110,327	322,350	5,432,677
Hospitals	45	8,462,987	40,371,956	48,834,943
Churches and Other Religious Institutions	580	13,201,400	30,690,141	43,891,541
Sundry Non-profit Organizations	13	1,472,005	1,033,010	2,505,015
Foreign Governments	4	253,235	342,085	585,320
GRAND TOTAL.....	3,060	177,815,545	288,797,478	466,613,023

Source: City of Toronto Finance Department.

LOCKED IN

Ten years ago, the creation of Metro locked the City of Toronto inside its existing boundaries with no opportunity to expand but a responsibility to assist the suburban municipalities with their expansion. In the interval, the City's taxable capacity has been surprisingly well maintained. On a per capita basis, the taxable assessment of Metropolitan Toronto increased by twenty-two per cent between 1954 and 1962 whereas for the City of Toronto the increase was thirty per cent. But the position is no better than needed to carry the increase in the proportion of non-residential and exempt properties requiring services and to face the growing financial burden of urban renewal.

We are not suggesting that Toronto is at present in difficulties or even that it is certain to become so. We know perfectly well that the subway system has done much to strengthen the central area and that its extension will do more. Such developments as the new fifty-five storey head office of the Toronto-Dominion Bank can be the means of renewing and holding the strength of the City's tax base for years to come. We can report, moreover, that the 1963 value of building permits issued was up 13.43 per cent over 1962 to set a new all-time record.

On the other hand, Toronto alone out of the thirteen municipalities has found it necessary to establish a Development Department and to provide it with an annual budget which may well reach \$200,000 when it is operating at full strength. Similarly, Toronto's urban renewal project of nine years ago constituted a justifiably costly look at some very real problems. Today, areas within the City will provide the prime focus for the Metro urban renewal study launched last year. Beyond the contribution which the City will make to the present project through the metropolitan levy, additional direct staff backing will be furnished in our own self-interest by the Development and Planning Departments. The point of concern is this: the City of Toronto finds it necessary to spend substantial amounts of money as part of a continuing struggle to maintain the strength of its tax base. The latest urban renewal studies will cost us comparatively little because they are heavily subsidized by the senior levels of government. The problem areas they identify which are largely within our corporate limits will cost much more whether we act to improve the situation or leave them as they are. And in this sphere, the extent of Metro's help remains unknown.

STEPPED-UP COMPETITION

The City of Toronto is charged with looking after the inner part of the metropolis within boundaries which were ample fifty-two years ago but have been becoming steadily less adequate ever since. Creation of a metropolitan federation has reduced the responsibilities of the area municipalities but, within this narrower setting, has continued a competitive relationship. The difference is that Metro has assured all thirteen municipalities of adequate access to community water and sewer services, of improved communications through the creation of an integrated arterial road network and a Metro-wide public transportation system and of access to the needed capital funds for school construction and other essential purposes. In all these ways, the competition of suburban municipalities to attract the new land developments has actually been stiffened. At the same time, their growth puts the City under constant pressure to achieve a complementary reconstruction of its own older areas.

If amalgamation had gone through, the development of the outer areas could have been more closely controlled by staging. Growth might have been held in one area until another had been filled up. As it is, each Township expects a fair share of capital funds and of water and sewer extensions inside its borders in order that it may continue unabated the onward march of urban growth.

Competition among municipalities is all very well if it operates on some reasonable footing. But the protected existence within one metropolitan area of a central city and a group of inner and outer suburbs does not make for an even starting point or equal opportunities to progress.

The unsatisfactory position in which the City finds itself will be made clearer by a few illustrations.

1. As the largest municipality within Metro, the City of Toronto has been responsible for meeting close to half the Metropolitan levy. The proportion is, of course, gradually declining. It has been contributing therefore to the support of the Metropolitan Toronto Planning Board with an annual budget averaging about \$450,000 per annum in each of the last three years.

To ensure the continuing renewal of its older areas, our City needs a strong Planning Board of its own and therefore is in a position to make little direct use of the Metro Board.

The Metropolitan Planning Board spends its time largely on projects of concern to the suburban municipalities and the municipalities of the outer planning areas. It assists each to proceed concurrently with schemes to promote urban expansion. If these go ahead too quickly or are spread too far afield, the City suffers a double penalty. It underwrites part of the cost of urban sprawl and it helps to step up the process of "the flight to the suburbs".

Sprawl is a real and costly problem. When urban areas requiring community services are permitted in scattered locations, the expense of providing public services is considerably greater. The point was documented several years ago in a study of the economic aspects of urban sprawl carried out by the Lower Mainland Regional Planning Board of British Columbia. By comparison with more densely populated urban areas, sprawl areas were found to involve consistently heavier outlays to provide equivalent services.

2. The City of Toronto has been a prime backer of what is now called the Metropolitan Toronto Industrial Commission since the Commission commenced operations in 1929. No one can be critical of this agency for reaching out to serve the greater Toronto area, including municipalities throughout the Metro planning area and beyond. Yet the financial support which is provided through Metro produces steadily less returns within the City limits and more and more benefits which keep industry in the area at the cost of its withdrawal from the City proper. From our partisan standpoint, it is difficult to maintain enthusiastic support for such an operation.
3. Probably the question of water rates affords the best example of the competitive relationship of area municipalities and the impossibility of avoiding a partisan attitude on some issues.

In recommending the establishment of the metropolitan federation, the Ontario Municipal Board contended that the municipal assets which had "been built up and financed by the various individual municipalities and their local boards" were "in every sense of the word public property" which could be transferred to a different local government with differing responsibilities and territorial limits without compensation, provided that they remained available to the residents. Hence they recommended variations in the wholesale water rates only to the extent necessary to take account of variations in the cost of distribution to different parts of the metropolitan area. The Provincial Government thought otherwise and specifically provided for rate differentials on other grounds, if the Metropolitan Municipality so wished.

The reason an exception was made for water assets was that both the City of Toronto and the Town of New Toronto had created more than enough capacity for their own present and future needs and had been engaged in the sale of surplus water to neighbouring municipalities. For several years the Metro water rate structure gave preferred treatment for the Town of New Toronto and conferred a similar advantage on the City of Toronto because of its very substantial volume of consumption. But the arrangement has been debated and attacked repeatedly. Effective in 1957, Toronto's preference was whittled down and starting with 1959 it was withdrawn altogether. A single uniform rate was charged to all area municipalities and no reduction was granted for large volume purchase.

How the City of Toronto has been affected by the transfer of water supply responsibilities is made plain by further detailed information on its operations.

From 1954 to 1963, the quantity and cost of water purchased by the City of Toronto from the Metropolitan Corporation was as follows:

CITY OF TORONTO'S WATER PURCHASES

<i>Year</i>	<i>Gallage Thousands of Gallons</i>	<i>Rate per Thousand Gallons ¢</i>	<i>Total Cost \$</i>
1954	39,145,063	8.72	3,413,449
1955	38,652,760	9.14 (average)	3,533,094
1956	35,770,738	9.58 (average)	3,428,247
1957	37,243,893	12.46 (average)	4,642,132
1958	38,870,966	14.69 (average)	5,711,734
1959	41,613,022	16.87	7,020,117
1960	40,288,445	16.87	6,796,660
1961	39,589,136	16.87	6,678,686
1962	41,466,512	16.87	6,995,401
1963	41,122,807	16.87	6,937,454

In 1953, the City was charging its metered consumers the following gross quarterly rates, subject to a ten per cent prompt payment discount:

Up to 50 million gallons — 15.75 cents per thousand gallons
 50 to 75 million gallons — 14.50 cents per thousand gallons
 over 75 million gallons — 13.75 cents per thousand gallons.

Metered consumers accounted for some sixty per cent of the total water consumed. The rates charged to them together with proportionate amounts charged to flat rate customers produced revenues which were sufficient to cover all costs and to yield a surplus which in some years had exceeded one million dollars. For 1953 the figure was \$831,360.

Due to its surplus position the City was able to maintain its established rates until 1957 despite successive increases by Metro in 1955 and 1956.

Commencing in 1957, however, the City was forced to bring in a series of upward revisions in its rates to water customers. In summary, these are the changes:

- a) Today, the base rate is 28.65 cents (gross) per thousand gallons, an increase of eighty-two per cent over 1956.
- b) Flat rate charges have been stepped up correspondingly.
- c) Lower rates for large consumption have had to be abolished, resulting in a further increase for such customers.
- d) Meter charges have been introduced, ranging from \$1.28 quarterly for a 5/8 inch meter to \$89.28 for ten and twelve inch meters.

All told, the higher water rates charged by the City have been barely enough to keep this service on a self-supporting basis. Although the revenue in each of the last two years exceeded nine million dollars, the surpluses in each instance were nominal — less than five thousand dollars. For the decade 1954 to 1963, the accumulated result has been a deficit of \$63,668.

The City of Toronto's increased water charges have been brought about entirely through the increased sale prices for water imposed by Metro, amounting to 93.46 per cent per thousand gallons. The City of Toronto's own water consumption has risen over the ten year span by only 5.05 per cent and there was ample surplus capacity when Metro was formed to meet that increase without enlarging the system.

The progressively higher Metro charges have arisen essentially from severely greater debt charges incurred in expanding the supply of water to some suburban areas. Had Metro not been formed these costs would have fallen upon the suburban municipalities in question.

Through the creation of Metro, the City of Toronto has been divested of its waterworks plant, has lost its substantial annual surplus on waterworks operations and has been forced to almost double its charges to consumers.

It is significant that on December 29, 1954, the subject of water rates produced the first clear City-suburban split in a vote on Metro Council. Each time the subject has come up, acrimonious debate has resulted; and water rates have been among the most persistent causes of friction on Metropolitan Council.

We are not attempting to demonstrate that in the unequal relationships between the various municipalities composing the Toronto metropolitan area the central city is the inevitable loser. Where the City of Toronto gains less and less for itself from the Industrial Commission and finds the benefits that body brings to the suburbs an increasing embarrassment, it is still enjoying by far the greatest return from the financial backing given to the Metropolitan Toronto Convention and Visitor Association. Along the same lines, the grants which the Metropolitan Council now makes each year to "institutions, associations and persons carrying on or engaged in works . . . for the general advantage of the inhabitants of the metropolitan area" has provided a greater proportion of financial relief to this City than to any suburban corporation.

From the outset the co-operation of the City of Toronto has been needed to make Metro work. As a temporary proposition, the City's wholehearted participation has been fully warranted. As time goes on, however, we cannot help but be concerned about three things:

1. In the long run, the competition between unbalanced contenders with shifting prospects is bound to have unfortunate consequences for the whole area.
2. There are enough real problems to be faced in maintaining the best use of private and public land without injecting artificial obstacles which make it impossible for municipal people to work together in planning, promoting and executing land development projects.
3. The financial penalty imposed upon the City's taxpayers becomes unforgivable when it goes on beyond a temporary situation and threatens to become steadily worse.

CHAPTER IV

THE ATTAINMENTS OF METRO

HIGH PRAISE

In giving thought to the best form of government for the Toronto metropolitan area, the City of Toronto is well aware of the remarkable record of achievement which has been chalked up throughout the past decade by the Municipality of Metropolitan Toronto. In this brief we have no wish to play down Metro's accomplishments.

We must recognize, at the same time, that a recital of Metro's particular successes cannot claim first place in a well-balanced submission. The reason is plain. The good which Metro has brought is widely known and universally acclaimed.

As a "first" on this continent, Toronto's metropolitan federation has been written up in professional and popular journals throughout the United States and Canada. Its stage by stage progress has been reported with great regularity by the metropolitan press, the wire services and other public media. The major metropolitan areas throughout the United States have been sufficiently removed from the scene to be much intrigued by what we were doing. Teams of experts have come to put our system under a microscope and to comment sagely on what they have seen. We have reached the stage where some laudatory reference to the Municipality of Metropolitan Toronto is an expected ingredient in all American text books on city government.

To borrow a phrase from the world of advertising, Metropolitan Toronto has been imitated but never duplicated. The most serious contender has been Metropolitan Dade County (1960 population, 935,000) which covers the area of greater Miami. Established as a metropolitan federation in May, 1957, and promoted as "the first truly metropolitan government in the United States", Dade County has waged a constant struggle to preserve its life and to enlarge its powers to satisfactory dimensions. In Louisiana, a city-parish government has existed in Baton Rouge since 1949. The recent emphasis on metropolitan government spurred this limited-purpose metropolitan authority to move towards some enlargement of its responsibilities; but it still has a long distance to go to equal Toronto. Along related lines, much looser regional groupings have been established in the metropolitan areas of Washington, New York, San Francisco, Philadelphia, Detroit and Seattle. But the most promising parallel has been the metropolitan federation covering greater Winnipeg. Here, however, efforts to develop a two-level system which would profit by Toronto's mistakes have bred other serious problems with their own particular stamp. And so Toronto still stands first and attracts notice accordingly.

Through the years, the Municipality of Metropolitan Toronto has taken advantage of opportunities to publicize itself. During each year of his tenure as chairman, Mr. Gardiner delivered a limited number of powerful speeches to influential audiences. Almost without exception, they dwelt for much of their length on a colourful recounting of Metro's accomplishments. This was Mr. Gardiner's constant theme, also, at each inaugural. Again, in the absence of a publicity branch, the Metropolitan Toronto Planning Board has each year been assigned the task of producing a lively brochure, describing what Metro is and what it has done.

From its initial intervention, the Provincial Government has attached considerable importance to Toronto's metropolitan problem and to its planned solution. The Ontario Municipal Board stepped outside its accustomed role to recommend the federation in the first place. When the Government took over, it was Premier Frost himself who piloted the necessary legislation through the House. In doing so, he utilized the support of both the Department of Economics

and the Department of Municipal Affairs. Each Department has retained a strong interest in the experiment ever since.

The basic success of Metro has been publicized and personalized to a remarkable degree. It led, for example, to the unprecedented appointment of a public servant, Mr. Lorne R. Cumming, while still Chairman of the Ontario Municipal Board, to chair the Metropolitan Toronto Commission of Inquiry — a body on which the four remaining commissioners were members of the Legislative Assembly of Ontario! The move was unusual for another reason. Mr. Cumming had been popularly recognized as the author of the federation plan.

What we are suggesting is that the metropolitan federation has been associated with important people and has taken on something of the aura of their success — Dr. Lorne R. Cumming, Mr. Frederick G. Gardiner and former Premier Leslie M. Frost.

For all these reasons, we propose confining our coverage to the briefest possible outline of Metro's accomplishments. We dispute neither their extent nor their importance, we acknowledge them unequivocally.

POINTS OF METROPOLITAN PROGRESS

1. The establishment of a metropolitan federation has been the means of clearing up a variety of jurisdictional problems which demanded attention, regardless of the particular form metropolitan government was to take. We note the following:
 - a) In preparation for "Bill 80", the entire suburban area was re-assessed in a single operation and this made possible development of a uniform basis of assessment throughout the City and suburbs as part of the underpinnings of metropolitan government.
 - b) In each of the Townships of Etobicoke, North York and Scarborough, a Board of Education was established replacing the variety of school authorities, both rural and urban, which had formerly been in existence, including union school sections extending into four abutting townships. Similarly, Swansea was required to establish a Board of Education and thereby assumed a direct responsibility for secondary schooling.
 - c) As a direct consequence of federation, the Police Villages of Agincourt and Thistletown were encouraged in due course to disappear.
 - d) A 1956 amendment to the Metro Act extended the benefits of the two-year term to those suburban municipalities which had not yet voted it in and, as a further bonus, declared uniform dates for nominations and elections.
 - e) The act of Federation had permitted the formation of a Metropolitan Planning Area with widely drawn boundaries and this was speedily accomplished. Creation of the Municipality of Metropolitan Toronto encouraged the merger of conservation authorities throughout the territory of four major watersheds, taking in all or parts of twenty-three municipalities, counting the area within Metro as only one. A minor easterly extension has brought the total under their jurisdiction to just short of one thousand square miles.
2. As the result of federation, it has been possible to catch up on and keep abreast of the required extension of urban services to support new growth.

From the War's end to the formation of Metro, a span of eight years, a twenty-five per cent increase in population took place. Since then the growth has continued and the rate has increased. The population of the thirteen municipalities was 77.5 per cent larger a year ago than in 1945.

Metro set to work at once to overcome the formidable backlog. It launched into a \$98 million waterworks programme and a sewerage system development of similar proportions. It assumed jurisdiction over 277 miles of roads and programmed capital improvements approaching one million dollars a mile including such notable projects as the Gardiner Expressway, Don Valley Parkway, Eglinton Avenue and the Bayview Extension. Today, the success of all these undertakings is an established fact.

The rate of school construction has earned Metro another accolade. Since the federation harnessed the credit of the area to meet the capital cost of school plant, well over two hundred new schools have been built, including separate schools, and 330 more schools have been enlarged.

School construction has been but the biggest item in a large and varied programme of new public buildings. New and renovated homes for the aged now furnish accommodation for over 2,100 persons, well over half in new buildings. To care for the chronically ill, the old Riverdale Isolation Hospital has been taken over. Part has been kept and converted and a new building has been added. Together they provide a present capacity of 912 beds. Other Metro undertakings have included apartments for elderly persons, considerable further public housing, a new Juvenile and Family Court building and district buildings for use by the Metropolitan Police Department and by other Metropolitan Departments.

Metro's expansionist undertakings have also included the purchase of the James and Edwards Gardens, the development of two municipal golf courses, the takeover of the zoo and the acquisition of much further parkland bringing the total to some five thousand acres of which some is fully developed, some in the process of being improved and the remainder being held for later development.

Another undertaking of note in which Metro is currently much involved is the east-west subway. It will become an asset of great importance to the central area and the outer suburbs alike.

An important by-product of this entire public investment activity has been the stepped up rate of private investment. For 1953, the annual value of contracts awarded for all types of construction was appreciably less than \$300 million. Five years later, the figure had grown to more than \$600 million.

3. Along with the vast development of physical properties, the Municipality of Metropolitan Toronto has been responsible for important service developments in welfare and in other fields.

The strong background of the first Chairman, Mr. Gardiner, in the area of child welfare was an important factor in the realignment of children's aid services as between the Metropolitan Municipality and the County and the subsequent expansion and partial decentralization of Metro children's aid work within the metropolitan area.

What has been accomplished for the aged is even more remarkable. The despatch with which Metro took up its homes for the aged responsibility contrasts with the slow pace of public progress by its predecessors. It is in apartments for the elderly, moreover, that Metro's housing programme has made greatest strides. Among these, the May Robinson House in this City is the most outstanding, providing 405 units in a desirable location. Other smaller developments in the three outer townships bring the total to some 1,500 units. The Welfare and Housing Department gives preference to people living in such accommodation when their health circumstances require them to seek a transfer to a home for the aged. This arrangement has proven most constructive. Other apartment accommodation for older people has been set aside in both the Regent Park South and Lawrence Heights projects.

4. The Municipality of Metropolitan Toronto has organized and operated a mammoth capital borrowing programme on behalf of the fourteen municipalities, the twelve school boards and the host of other special purpose bodies operating within the metropolis. Metro has succeeded in setting and maintaining a workable ceiling on debt, in dividing the total among the eligible corporate bodies without serious challenge and in procuring the necessary funds in the Toronto and New York money markets.

Perhaps the most praiseworthy aspect of that whole undertaking is the annual capital levy. Starting in 1957, a two-mill capital levy from current taxation was provided for general municipal purposes. Later, the income from this source has been directed to the support of subway construction. Commencing in 1959, a similar levy of one mill was introduced for the support of the school authorities' capital needs.

5. A number of other programme accomplishments can be mentioned at random as illustrative of Metro's worth.

Ten years ago, water users in North York and in other areas remote from the lake suffered greatly from lack of water. Even within Toronto, which was then selling surplus water, poor pressure was a cause for frequent concern. The situation has its most serious implications for fire protection. Today, the problem has been greatly alleviated.

Before Metro was formed, most of the area municipalities were scarcely aware of the need for land use controls and the other elements of sound community planning. Today, admittedly on a competitive basis, planning controls are an established feature of each new subdivision development and a recognized part of the municipal service programme.

An interesting smaller point. To meet the requirement of the Metropolitan Roads Department, action was taken with the help of the Federal Government to obtain the initial "bench marks" and "points" required for the eventual establishment of a cadastral survey network of the whole metropolitan area.

In the old days, the Riverdale Zoo had become decidedly rundown. The citizens and the Toronto city fathers were alike embarrassed by its condition. Since Metro took charge the zoo has become a credit to the whole area.

The Metropolitan Parks Department has been able to undertake a huge programme of land acquisition. This was possible because, with the particular encouragement of the Metropolitan Chairman of the time and the backing of four interested community organizations, the Department was started early and its requirements were given a suitable place in the capital budget. As a consequence, the Parks Department has been able in co-operation with the Metropolitan Conservation Authority and the City of Toronto's Parks Department to set about the rehabilitation of the whole Humber Valley. It is something of which Torontonians can be very proud.

6. The powers which the Municipality of Metropolitan Toronto was granted in 1953 have been considerably extended through later amendments to the Act of Federation.

Services which have been taken over and unified at the Metropolitan level include:

- * civil defence
- * control of air pollution
- * operation of the isolation hospital
- * regulation of and acquisition of land for garbage disposal

- * the magistrates' courts
- * policing
- * licensing of businesses and trades
- * signal-light traffic control systems

The transfer of all these service responsibilities has been effected with relative ease and a minimum of resulting criticism. A minor exception has been the failure of the automated electronic traffic control "brain" to be ready to go to work on schedule.

A number of extra financial powers have been placed with the Municipality of Metropolitan Toronto and they too have great significance. Metro has been given:

- * the right to make grants to associations engaged in work of general advantage to the metropolitan inhabitants,
- * authority to enlarge the scope of maintenance assistance payments from the Metropolitan School Board to the local school authorities,
- * the power to provide financial aid to public libraries,
- * the responsibility of meeting (by repayment to the area municipalities) the entire municipal cost of the statutorily shareable portion of general public assistance payments (relief).

THE SIGNIFICANCE OF METRO'S SUCCESSES

It is impossible to present an objective appraisal of Metro's accomplishments without reference to the remarkable leadership provided by Mr. Frederick G. Gardiner in his capacity as Metropolitan Chairman. He it was who drew together the elements of the Metropolitan Municipality's far-ranging programme, contributing many of the ideas himself. Each time he gave a progress report, it provided stimulation for renewed effort and helped to bring more results. Metro's first chairman had a capacity to win the co-operation of City and suburban members on the Metropolitan Council and to draw from them a degree of dedication to common objectives which was truly remarkable.

Throughout the past ten years, the Municipality of Metropolitan Toronto has made history both in the breadth of its interests and in the rate of its progress. In looking for a change, we have no wish to minimize or detract from what Metro has done.

But what are these Metropolitan achievements? Take any of Mr. Gardiner's speeches; read the reports of American experts; run through the material in "Ten Years of Progress"; and what do we find? The particular accomplishments of the federation are without exception the achievements through services being merged, brought to a smooth and settled pattern of operation and made capable of producing a recurring series of constructive results.

The attainments of Metro are the achievements of merger. In our opinion they constitute the strongest possible argument for carrying the process the logical step further — to the re-establishment of city government with appropriate outer boundaries.

CHAPTER V

LIMITATIONS INHERENT IN THE METROPOLITAN FEDERATION

Over the course of the eleven momentous years since the adoption of "Bill 80", a host of elected representatives and appointed officials have come on stage, played their parts and retired to the wings. Some have served with great distinction. Others have proven mediocre. Mistakes have been made, sometimes of serious proportions. Judicial inquiries created headlines in two suburban municipalities. For each news story recording a forward step in the march of civic progress there have been others reporting acrimonious debate, recounting claims and counter-claims, levelling charges of gross inefficiency or viewing with alarm. For this is the function of the press and the nature of representative government.

In surveying our experience with a two-level system of metropolitan government, involving the continuing existence of the cluster of local municipalities which blanketed greater Toronto and the newly-created super-structure, the Municipality of Metropolitan Toronto, our objective is to separate out the transient fluctuations of civic performance in order to confine ourselves to an appraisal of the capabilities of the municipal machine. We propose to describe problems which appear to stem from our dependence upon a federation and upon that fact alone. Even within these bounds, we do not intend undertaking a lengthy recital of the continuing inadequacy of many municipal services, of all the delays and frustrations which have punctuated the conduct of civic business or of every cost which has been written into local government in order to retain the municipal institutions to which we have grown accustomed.

Like the artist, however, we must cover our canvas. We hope, in other words, to say something about most of the important problems and we renew our offer to elaborate later on what is put now before your Commission.

ADMINISTRATIVE DISADVANTAGES

The retention of the thirteen municipalities for certain purposes and the addition to the group of one further large municipality continues to exact a heavy administrative price. We present and illustrate a number of ways in which it shows up:

1. *The transaction of civic business requires the observance of more complicated routines than before Metro. The change cannot help but slow down the completion of assignments.*

When Metro was formed, the City of Toronto felt it necessary to set up a committee of senior officials which would work out desired administrative arrangements with the Metropolitan Municipality and clear inter-municipal problems as they arose. The committee is chaired by the Executive Assistant to the Mayor and its other members are the City Solicitor, the Commissioner of Finance and the City Auditor. The corresponding function within the Metropolitan administration is performed on an ad hoc basis.

An example will serve to show the kind of matter which can prove so time-consuming for our important officials.

The position with respect to municipal services has changed greatly since Metro took over the Island for park purposes. With the removal of more and more houses, Metro in due course proposed that it carry out certain civic undertakings within the park areas on work

orders from the City. Advancement of that suggestion served to emphasize a growing City problem. In a situation which Metro controls, the municipal revenue accruing from the private occupation of land is steadily dropping while the cost of maintaining the various municipal services continues. The stage has been reached where it might not be unreasonable for Metro to assume financial responsibility for those municipal services which must be maintained. In this regard, the City's committee has been negotiating with respect to garbage collection, snow removal, and street cleaning, road repairs, streetlighting, fire protection and water supply including the heavy new use of water within the park areas. The whole subject is still under consideration.

The wholesale supply and distribution of water and the trunk collection and disposal of sewage have been taken over as Metropolitan functions. The Metropolitan department concerned must maintain appropriate arrangements to tie in with the complementary services furnished by each area municipality. Moreover, for its drainage and sewage operations, the Metropolitan Works Department finds itself purchasing electric power from the Toronto-Leaside system and from no less than seven of the suburban systems; for, in its wisdom, the Province decided not to unify the hydro-electric service. Similarly, power is purchased for the Metropolitan waterworks operation from the City and also from four suburban systems.

Prior to 1954, four approvals were required before a local school board could embark upon construction of new school accommodation. Under the new procedures necessitated by federation, seven distinct steps have to be taken on property acquisitions and eleven on building projects. A somewhat similar growth has occurred in the complex process of obtaining approval of those capital undertakings coming immediately under the municipal council.

2. *The present administrative arrangements result in obvious duplication of effort, part of which pre-dates Metro.*

One objective which was generally accepted in the early days of Metro was that duplication in the performance of municipal functions should insofar as possible be avoided.

Taking this approach, Metro had the City look after central purchasing, the acquisition of real estate for it and the handling of various other services. The development of the necessary arrangements became another concern of the committee of City officials.

But as the years have passed, the City and Metropolitan administrations have moved further apart. Metro arranged to separate out and take over its own real estate services. It appointed its own Traffic Engineer, a former City employee, and moved in on work which the City had done. These are examples of a general tendency for duplication to increase.

Another illustration of the duplication which results from a two-level system is the existence of fourteen clerk's departments processing quite similar business in their separate establishments and serving as clearing houses for the exchange of information on activities of concern to more than one municipality. Undoubtedly, also, the tax collection routines in thirteen municipal treasuries represent a further duplication of administrative procedures. The point has application as well to other overhead and staffing functions.

Amalgamation would do much more than replace fourteen municipal councils by one. It would eliminate eleven boards of education, ten local boards of health and one health unit, eleven library boards, ten hydro or public utility commissions, eight planning boards and at least a score of other special purpose bodies. The number of municipal departments and the number of civic committees would undergo a similar reduction. Civic business would be com-

pressed into one decision-making process with respect to each policy requirement and administrative routines would be cut down accordingly.

A further point is that many matters affecting the City of Toronto or another area municipality and the Municipality of Metropolitan Toronto have today to be processed through the standing committees and councils of both municipalities. Under amalgamation, this requirement would, of course, disappear.

With only one municipality there would be a great reduction in the number of enactments by Councils and in the volume of formal reporting by these bodies and by Boards of Control and Council Committees. There would be fewer municipal by-laws covering such matters as temporary and long-term borrowing, the levy and collection of taxes, election proclamations, vacation periods and other employee regulations since many would apply throughout the whole area and others could contain variations to suit each district in a single document.

Amalgamation would greatly reduce the need for official advertisements and proclamations. It would vastly simplify stationery and business forms. A single membership would suffice in each of the several municipal associations in which today most of the area municipalities hold membership.

Amalgamation would mean that one municipal corporation would review proposals for changes in municipal legislation originating in this area or circulated by other municipalities or municipal associations with a request for endorsement by Toronto. From the Toronto area, there would be only one annual pilgrimage to Queen's Park for amendment of private acts or general legislation. Such appearances require the attendance of the municipal solicitor before the Private Bills Committee to present the municipality's case. They are time-consuming and costly.

Today a minimum of six local procedures are required to process an amendment to the official plan of a local planning area. The same number will be needed, again as a minimum, to bring about an amendment of the Metropolitan Official Plan, if it should be adopted. A change in the official plan at one level will commonly involve an accommodating change at the other. The degree of duplication of effort which is in prospect is frightening.

To ensure organizations which are considering holding conventions in Toronto that the welcome mat is out, official invitations are issued by the offices both of the Mayor of Toronto and the Metropolitan Chairman.

The Finance Department of the City of Toronto held up for many months the installation of computer equipment in the hope that an arrangement could be worked out with the Metropolitan Assessment Department to share the equipment's use. Eventually, the City went ahead on its own. Our understanding is that the Metropolitan Assessment Department hopes to meet its computer needs by using the new electronic equipment of their Traffic Engineering Department. It would look to us now, however, as if that equipment will be fully occupied from the beginning on traffic counts, making it necessary for the Assessment Department to buy other expensive equipment of its own.

3. *From what has been set out already, it must be apparent that the federation form adds to the cost of administering local government services.*

Our examination of the financial implications of amalgamation has brought us to the conclusion that substantial administrative savings can be anticipated in the costs of the administrative departments — the services provided in this City through the Mayor's Office, and by Clerk's, Finance, Legal and Audit Departments. Savings of a smaller order can be looked for

through the consolidation and complete centralization of other staffing functions — personnel, property management and purchasing and stores. Another area of major economy should be community planning where today the separate activities in the fourteen municipalities overlap considerably and operate to some degree at cross-purposes.

In the operating departments, identifiable administrative savings are smaller and the benefits do not always involve lower cost for the taxpayer. As one illustration, the Real Estate Department of the City is, we believe, as well qualified as any in Ontario; yet this does not mean that the City buys property for the lowest figure that might be negotiated. Its specialized capabilities do ensure, however, that the price reached on property acquired by the City is fair to both parties concerned. This is particularly important with respect to expropriation proceedings where the City has both a moral and a legal obligation to make certain that the owners receive fair compensation and a responsibility on the other hand to the taxpayer not to pay more than a reasonable amount.

For a number of other functions, the economies of large-scale operation cannot be separated from changes in the quality of service which are bound to take place and to increase the level of spending somewhat. In addition, short and long-term considerations enter into any such estimate. We present one illustration. The City's central management of property, which is in line with the recommendations of a management survey completed just seven years ago, produces, we believe, significant long-term savings. The Department maintains detailed records of each feature of every City property; has established a uniform maintenance standard for all such property; prepares and carries out an annual maintenance programme in accordance with the condition of its buildings and its established maintenance standards. In other words, the amount of maintenance work required is identified in advance and done when needed. In addition, the City Department includes a sufficient maintenance crew on staff to eliminate the extra cost which would arise when emergency jobs have to be contracted out, especially at off hours.

4. The two-level system prevents the development of administrative strength in depth.

When Metro was formed, the chief source of personnel was officials and employees of the thirteen existing municipalities. The transfer of the T.T.C. to the metropolitan level removed one group of expert personnel some distance from their accustomed contacts with people in the City Treasury Department, Works Department, etc. Similarly, in functions where Metro took over exclusive control from the various area municipalities, the City lost its immediate contact with other senior administrative personnel whose leadership qualities had been felt throughout the whole service. Examples are the assessment operation and policing. But the most serious drain has come where a broad function is now shared by Metro and the area municipalities. Among Metro's dozen departments of this character, the use of the City as a source of senior personnel is still very evident this long after Metro was formed. In three departments the head and deputy head both came from the City. In three more, the department head came from the City while in one further department the deputy head was recruited from the same source. What this meant was that at that time the City's own departments were thinned out. Action has since been taken to restrengthen the establishment to the full extent that the growth of the civic operations would warrant. Yet, because most functions are split, departments today have fewer specialists and other top calibre personnel than would otherwise have been the case. Because the work force is split up into fourteen watertight establishments the quality of work output and the capacity to advise elected representatives is apt to be affected both at the local and the metropolitan levels. It takes a consolidated departmental operation to bring together the maximum number of specialists and to achieve the full benefit of team performance.

5. *The particular kind of two-level system which exists in the greater Toronto area has required continuing leadership to come from the City and, after ten years, still calls for this City to meet future leadership demands.*

Despite all the progress which Metro has made in welfare services for the young and the aged, the City of Toronto has carried the lion's share of the load on general public assistance, including the specialized help which some welfare recipients and problem families need. Toronto's Seaton House provides a specialized service of indisputable benefit to the greater Toronto area. In one section, it contains accommodation for 250 homeless men who are unemployable because of health reasons. Another part of the same building furnishes temporary accommodation for up to 300 unemployed employable homeless men. Seaton House is located where it ought to be, in the downtown area. It is staffed and run so well that it can serve as a model to other metropolitan areas faced with the same problem.

Out of the gross welfare costs met by all thirteen local municipalities in 1962, the City of Toronto with forty per cent of the population paid eighty-five per cent of the bill. Dr. Frank Smallwood of Dartmouth College in his review of our Metropolitan government summed up the situation in these words:

"No centralized concentration of welfare cases can explain this tremendous relative expenditure on the part of the central City, and indeed, this is not the full story. The City of Toronto bears by far the largest portion of the total welfare service burden because it provides by far the most complete welfare program."

The recent Metro undertaking to absorb the total local amount of statutorily shareable assistance payments does not eliminate the City's burden, either financial or administrative. As the Province is careful to point out, many worthwhile welfare undertakings are not eligible for grant support. Indeed, the City's present non-shareable expenditures, including administration, exceed the municipal portion of the shareable total which will now be absorbed by Metro.

When Metro was formed the City Real Estate Department provided the full services required by Metro with its own staff until January, 1957, when it began recruiting special staff for Metro's needs operating under the jurisdiction of our Commissioner. On May 1, 1958, the entire function was transferred to Metro. But in other instances, the City has continued its help. Even after the magistrates' courts came under Metro, they have gone on processing flexo-writer records of summonses on the City's data processing equipment as the means of preparing their court calendar, developing statistical records, etc. At its inception, Metro decided to utilize the services of the City Purchasing Department. The decision was one of conscious policy recorded by the Executive Committee in its report of November 24, 1953. It remains the practice to this day. Along the same lines, it is now proposed that when the City and Metro move into the new city hall, the latter as a tenant, the City administration will operate the full mailing service for itself and Metro.

The City Finance Department is proud of the fact that it has pioneered in installment tax billing. The same Department operates an Organization and Methods Section, another development which has not yet been matched by any other municipality in the area.

Another point of note is that the City of Toronto is expected to shoulder the lion's share of the responsibility for receiving visiting dignitaries and for entertaining celebrities. In this respect, the City remains the outsider's image of "Toronto" and fulfills the expected obligations at its own expense

The nature of Toronto's leadership role is further illustrated by the coverage given to the City in Metro's own booklet, *Ten Years of Progress*. This brochure features our new City Hall, the Toronto port development, the Island airport, the work of the Housing Authority of Toronto and the services of Runnymede Hospital. All are responsibilities of the City yet none are covered in the section headed "Local Functions".

THE PROBLEMS OF REPRESENTATIVES

The arrangement for representation on the Metropolitan Council and School Board has had certain obvious advantages by comparison with the system of direct election which applies to county councillors in London, England, and to metropolitan councillors in Winnipeg. The method we follow has meant that one or more elected representatives in each area municipality has a personal stake in the success of the Metropolitan government. In addition, it has ensured that persons with an intimate knowledge of each area municipality and its problems would bring that knowledge to bear upon the consideration of the metropolitan undertakings.

On the other hand, our two-level system, involving the discharge of important duties both at the local and Metropolitan levels, creates particular problems for the elected representatives. Again we note and comment upon the adverse features of the situation.

1. *The necessity of doing double duty involves a bewildering number and variety of commitments for members of the Metropolitan Council and, most especially, for the Mayor of Toronto and the two senior Controllers.*

During Metro's initial planning stage, the Bureau of Municipal Research conducted a survey of the work load of Metropolitan Councillors. We present an extract from the Bureau's report:

"The Mayor of Toronto — the only representative paid for full-time service — must act on THIRTY public bodies and chairs SEVEN of them.

Other City representatives average ELEVEN such commitments each.

Suburban Mayors and Reeves serve on an average of THIRTEEN public bodies each.

Voluntary services, undertaken by many of these same people, are not included.

In addition to these obligations our metropolitan representatives must — carry out numerous ceremonial duties, deal with a host of requests and suggestions from their constituents, provide executive leadership (both local and metropolitan) on budget estimates, tenders and contracts".

As the metropolitan system has developed, the number of such commitments has remained large while the weight of responsibility has expanded. It requires a person with unusual vitality and adaptability to keep on top of all his work — to make the necessary adjustment in his thinking as he moves back and forth between metropolitan and area meetings.

2. *Within the City, the arrangement under which only half the Controllers and half the Aldermen sit on the Metropolitan Council may be expected to foster stiff competition between the aldermen in each ward and between members of the Board of Control.*

For both controllers and aldermen, extra remuneration is granted to those who serve as

Metropolitan Councillors and a further sum to members of the Metropolitan Executive Committee. To persons who hope to make municipal service a career, the extent of remuneration can be important. Hence, the difference in pay between those who top the poll and those who run behind cannot be regarded as one of the better features of the metropolitan system.

The board of control plan differs from Cabinet government in that there is no parallel to the expected "Cabinet solidarity". The existence of Metro tends to sharpen this competition even further. The situation can have negative results in the conduct of civic business. The problem is serious because of the heavy executive responsibilities with which the Board of Control is charged. A City ward can have only one representative on the Metropolitan Council regardless of the vote-getting powers of its second representative. Consequently, each alderman is encouraged to be a lone wolf in order to gain exclusive backing from constituents which will help him to top the poll. Will the alderman who does not sit on Metro take a problem to the Metropolitan Council through the alderman who has been his running mate? Under the present system, there is little encouragement for him to do so.

3. *The atmosphere at metropolitan meetings is highly competitive. The alignment of City against suburbs is a problem of growing proportions after ten years of metropolitan government.*

We have examined all the recorded votes on the Metropolitan Council from its inception to the end of December, 1963. While the material does not lend itself to statistical summary, the position is nevertheless plain. The number of occasions during 1963 when all or most City members lined up on one side of an issue and all or most suburban members on the other was greater than in any prior year! The issues which tended to divide the Council along these lines included:

- Fire Department unification;
- a suggested hotel room tax;
- proposed financial assistance to the T.T.C.;
- a proposal to create a Metropolitan Library Board;
- recommended assumption of responsibility for welfare services.

In earlier years, other issues which produced a substantial City-suburban split included:

- a prospective appointment to the T.T.C.;
- suggested Metro assumption of welfare costs;
- a plan for heavier assessment of multiple-family dwellings;
- proposed establishment of a Metropolitan Parking Authority;
- a proposal for low rental housing;
- a request to study the mono rail system;
- the appointment of a metropolitan commissioner;
- recommended action to convert Metro to a four-city system;
- a vote on amalgamation;
- the subject of water rates;

The subject of water rates has been a persistent bone of contention and a cause of genuine bad feeling. Split votes were registered on this one issue in 1954, 1957, 1958, 1961 and 1962. But as one can see the points of friction have not been narrowly confined.

A review of the record leads to the firm opinion that the metropolitan system which first brought City and suburbs together is now perpetuating differences between them.

4. *Metropolitan members, other than the Chairman, are expected on the one hand to recognize metropolitan-wide considerations and on the other to represent the area municipality or ward which elected them to office. It becomes difficult, if not impossible, to observe fair and consistent conduct.*

Here are some of the questions which plague metropolitan representatives:

Should a City representative on the Metropolitan School Board be expected to vote for an increase in maintenance assistance payments which will further benefit suburban areas at the expense of City taxpayers?

In 1958, when Metro was considering the acquisition of certain parklands, why did every City representative vote for the measure and every suburban representative against it?

What is the obligation of the Metropolitan member when the interests of the Metropolitan Municipality and the several area municipalities do not coincide?

Should an alderman be able to adopt one position in City Council and reverse his stand when the same issue reaches Metro?

Should the decisions reached at the Metropolitan level result in the transfer of issues to the courts?

The Municipality of Metropolitan Toronto has a special committee to consider the authorization of a centennial project for the Toronto area. Will it be possible for the committee to agree upon any undertaking? If agreement can be reached, will it mean settling for a second-rate compromise scheme in order to avoid identification of the centennial undertaking with downtown Toronto?

5. *The two-level system creates problems for our elected representatives because it is generally not well understood by the local citizens.*

The person who brings a complaint or request for information to his representative is often not at all clear as to which level of government has charge of the particular service. Complaints with respect to Metro services are quite often directed to those particular aldermen or controllers who do not happen to sit on the Metropolitan Council. Similarly, confusion as to the departmental set-up encourages people to approach the aldermen with problems which might more properly be directed to municipal officials. Thus the public's bewilderment as to the location of responsibility makes extra work for elected representatives and may lead them to be blamed for shortcomings in areas outside their own direct jurisdiction.

INEQUALITY OF REPRESENTATION

From the beginning, the system of representation on the Metropolitan Council and School Board has constituted a significant departure from "rep. by pop.". In 1953 when the legislation was passed, the latest available estimate gave the City fifty-nine per cent of the population compared with fifty per cent of the seats. Among the suburban municipalities, York Township was then the largest in population. It was almost exactly twelve times as big as the smallest suburb, the Village of Swansea. Yet the two were granted equal representation on both Council and School Board.

It was known that the City-suburban difference would narrow and then reverse itself. The

divergence among suburbs, however, could be expected to widen, steadily and rapidly. North York was almost up to York in population and was growing very fast. A remarkable expansion was taking place also in Etobicoke and Scarborough.

The City of Toronto readily acknowledges that the difference in population between City and suburbs which narrowed and disappeared is now sizeable in the other direction. The position favours the City at the expense of the suburbs. As time passes, the City will reach a steadily more preferred position if suburban growth proceeds as anticipated. Even if we compare taxable or total assessment, the City of Toronto no longer commands the majority position and, as with population, its share of the tax base will go on dropping.

Perhaps the best evidence of the City of Toronto's wish to be fair about metropolitan government is furnished by its present stand on representation. In the event of amalgamation, what is now the area of the City would be swallowed up in a larger municipality in which the present City would at the outset represent something less than the 38 $\frac{2}{3}$ per cent of the population which it now contains and a steadily smaller proportion as time goes on. What is more, under any reasonable ward system, the population contained within the present City might be expected to start out with fewer seats on the new city council than a strict proportioning by population. The reason is that the suburban areas are known to be growing faster than the older districts and a ward system which was expected to have some degree of stability would have, therefore, to give the suburbs some immediate advantage.

We are fully prepared to accept the consequences of such a change in representation because it will bring to an end the artificial arrangement which now serves only to handicap the life of this metropolis.

The much more serious problem of representation is one which does not directly involve the City. It has become so extreme, however, as to constitute a cardinal fault of the present federation and one which should not any longer go **unchallenged**.

The following analysis reveals just how badly representation is out of line between one suburb and another.

1. Based on 1963 information, North York has over thirty-two times the population of Swansea, more than thirty-three times its taxable assessment, sixty-five times its area and 116 times its taxable acreage; yet the two are equally represented on both the Metropolitan Council and the Metropolitan School Board.
2. If we apportion seats on the Metropolitan Council by allowing one seat for each ten thousand people, the proper suburban allotment today would be:

Swansea, Weston, Long Branch and New Toronto — 1 seat each

Mimico, Leaside and Forest Hill— 2 seats each

East York — 7 seats

York — 13 seats

Etobicoke — 18 seats

Scarborough — 24 seats

North York — 30 seats

3. Taken together, the seven smallest suburbs embrace only one-third as much population as the Township of North York. The entire group has a combined area one-eighth the size of North York. As North York is divided into eight wards, the seven small suburbs could be swallowed up in a single North York ward of average size.

4. Notwithstanding the extent to which they have now been outdistanced, the seven little suburbs still command a majority of suburban votes on the Metropolitan Council.
5. Over the ten years 1953 to 1963, the three large Townships increased in population from 259,000 to 719,000 adding nearly half a million, whereas the seven small suburbs grew only from 83,000 to 102,000, an increase of less than 20,000. The population of Scarborough more than tripled. Swansea increased by just over twelve per cent.
6. The three largest suburbs have added the equivalent of forty-nine Swanses without gaining any additional representation.

From the outset, the system of representation on the Metropolitan Council and School Board can only be explained as a neat political compromise which could perhaps be tolerated as a temporary expedient but certainly not as a continuing arrangement. Fairness of representation has *never* existed and is being departed from increasingly as time goes on. More important the establishment of a City-suburban balance as the underlying basis of membership on the Council, the School Board and on their committees puts the suburbs in perpetual juxtaposition to the City. City-suburban antagonism is enshrined as the keystone of the system.

The problem of representation was one matter which disturbed the first chairman of Metro, Mr. Gardiner, throughout much of his tenure. He made frequent references to the subject in his speeches. In his 1959 Inaugural, he had this to say:

"Before concluding I think I should refer to the justifiable criticism that the Metropolitan Council as presently constituted does not conform to our accepted standards of representation by population. This view is shared by representatives of all the thirteen municipalities."

The problem appears to have been of less concern to Mr. Gardiner's successor, despite the fact that it has been growing steadily more serious. Here is a quotation from an address by Mr. Allen to the Canadian Club on March 11, 1963:

"In order to reach decisions on these issues which crossed the boundary lines of more than one municipality, the Council was based on representation of an equal number from the City of Toronto as from the twelve adjoining suburbs. This principle has proven to be sound and is the essence of the achievement and accomplishment for which the Metropolitan Corporation can truly take credit. While the growth of population has left the City outstripped in numbers, there being over one million persons beyond the city limits within Metropolitan Toronto as compared to something less than 700,000 within the City; however, the assessment in the city proper has remained almost 50 per cent of the assessment in the entire area and well justifies the continuation of the principle of equal representation."

Nowhere in the speech was reference made to the extreme divergencies between the small and large suburbs.

Worrying over the problem of unequal representation, Mr. Gardiner gave consideration more than once to the possibility of a multiple vote arrangement which would restore some measure of equity. Indeed, the matter was introduced officially into the Metropolitan Council in early 1959 where a specific proposal was adopted by 13 to 8. Seven suburban representatives and six from the City joined forces to approve the measure. The request for enabling legislation was, however, turned down by the Province. In February, 1960, a motion by Mr. Gardiner to reaffirm the proposal was defeated by a vote of 18 to 2. In Mr. Gardiner's final year on the Council, he referred to the idea again, expressing the opinion that a multiple vote arrangement would have to be introduced if the present federation were to be retained.

A multiple vote arrangement may be warranted to overcome some degree of inequality in representation but, in our opinion, the situation is far too extreme for this type of remedy to

be any longer feasible. Suppose we gave the Reeve of North York something approaching the number of multiple votes to which he would be entitled by comparison with Swansea. Those North York votes would always be registered en bloc when the Reeve was present. If he were away, the Council would either have to go ahead knowing that a large block of voting strength was immobilized or make some arrangement for an alternate person to vote. Whoever stood in for the Reeve would not have the same background on the issues and might in any event vote differently on them. Finally, if we are disturbed by the over-representation which a single vote gives to the little places how much less satisfactory it would be to give to some one individual from a large place a recognized voting strength ten, twenty or even thirty times that of his neighbour sitting in the same council chamber or acting with him on a smaller committee of council. We must conclude that no system of multiple voting can or should be employed.

In this City's opinion, the unequal representation that exists on the Metropolitan Council and likewise on the Metropolitan School Board ought to be brought to an end at the earliest opportunity. A situation which so closely resembles the rotten boroughs of an earlier day merits no continuing place in our system. The only way to eliminate it is to alter materially the whole pattern of government for the metropolitan area.

THE INABILITY TO ACHIEVE A SATISFACTORY DIVISION OF RESPONSIBILITIES

When the Civic Advisory Council's Metropolitan Problems Committee was considering alternative forms of government, it endeavoured to develop a theoretical justification for merger of certain municipal services and the continued separate existence of others. Despite a protracted consideration of the problem, the Committee did not succeed in working out any such basis for the recommendations which eventually emerged.

The Ontario Municipal Board considered the same point and explained its position in these words:

"In making its selection of powers to be given to the central authority, the Board has attempted to exclude purely theoretical considerations and to confine its attention to the actual situation of the municipalities in the Toronto area as disclosed in the evidence, and the special problems which concerned them and them alone at their present stage of development."

If one wanted to justify as part of a two-level metropolitan system the unification of particular services which under our federation remain at the local level, a good deal of the case could be made by example. Take the present London County Council. It has sole charge of education, fire protection and health services which under our system are largely or exclusively local. Again by looking to Miami we could produce a reason for making zoning a metropolitan function.

But the more accurate conclusions to draw from experience elsewhere are these:

1. We must look for a practical rather than a theoretical explanation of the division of powers in any metropolitan federation.
2. No two-level metropolitan system has avoided splitting the responsibility for a number of individual functions. This approach has been required in order to effect the most essential unification of services without stripping the local municipalities of all but nominal powers.

Under any broad definition of functions, the striking fact about the Toronto federation is the number of services which have been split with part remaining local and another part going to the metropolitan level.

Today, metropolitan functions may be classified as follows:

EXCLUSIVE METROPOLITAN FUNCTIONS

- (1) assessment
- (2) public transit
- (3) air pollution control
- (4) policing (except for the Harbour Police)
- (5) civil defence
- (6) administration of justice (in partnership with the County of York)
- (7) conservation (in association with twenty-two surrounding municipalities)

EXCLUSIVE LOCAL FUNCTIONS

- (1) taxation
- (2) public libraries (except for Metro grant support)
- (3) sidewalks
- (4) streetlighting
- (5) health
- (6) fire protection
- (7) building by-laws
- (8) electricity
- (9) harbour operations (in conjunction with the Federal Government)
- (10) conduct of civic elections.

SHARED FUNCTIONS

- (1) treasury operations other than taxation
- (2) planning and zoning
- (3) parks and recreation
- (4) roads
- (5) snow clearance
- (6) street cleaning
- (7) traffic control
- (8) water supply and distribution
- (9) sewage collection and disposal
- (10) storm drainage
- (11) garbage collection and disposal
- (12) education
- (13) public housing
- (14) public welfare
- (15) licensing
- (16) off-street parking (although the Metropolitan Corporation has not chosen to enter this field)
- (17) grants to public hospitals and other worthy organizations.

One illustration may serve to show the complexity of the relationships which can and do develop between the Metropolitan Corporation and the area municipalities because of their interest in closely related services or in the same service. For part of its length, a roadway may be designated as a metropolitan artery and for the remainder as a local street situated within one or more area municipalities. Under the roadway, there may be sanitary sewers which are metropolitan trunk mains or the local mains of an area municipality. Or these may happen to be both. Similarly, there may be storm drains or watermains which are either local or metropolitan, or again both. Think how many combinations of metropolitan and local jurisdiction are possible, including the possible involvement of more than one area municipality.

On metropolitan roads, the responsibility for sidewalks, streetlighting and to a considerable extent street cleaning has been kept local. Metro has, however, paid for and installed streetlighting on expressways and assumes responsibility for street cleaning on these and perhaps on some other suburban roads.

The Metropolitan Municipality looks after the trees along its roadways. Metro Council is empowered to plant trees on a metropolitan roadway and charge the cost as "part of the cost of repairing and maintaining the roads".

Traffic control is a divided function which means that Metro looks after its requirements on metropolitan roads and the area municipalities on theirs. The Metropolitan Authority, however, has now full charge of signal-light traffic control systems on all roads. The Metropolitan government can regulate speed limits not only on its own roads but on local roads within parklands owned by the Metropolitan Conservation Authority and managed and controlled by the Metropolitan Municipality. The Metropolitan Corporation has the option but not the obligation, with the consent of the area municipality concerned, of taking over the maintenance of existing local roads in such parklands.

The responsibility for snow clearance and ice control is split, with the Metropolitan Municipality assuming the task on the roads coming under its jurisdiction and the area municipalities looking after the cleaning of local streets. Within its limits, the City is paid to look after winter control for Metro on a work order basis but this arrangement does not extend to the controlled-access expressways.

Within those parts of an area municipality which have been zoned for industrial or commercial purposes, the Metropolitan Municipality may hand over the right to the area municipality to lease or licence the use of the untravelled portions of the roadway for parking by the occupants of abutting properties.

The Metropolitan Municipality has authority not only over its arterial roads but also over the abutting lands forming part of the right-of-way including lands held for widening purposes or left over from a previous widening operation. Such property may contain buildings of various sorts. This brings the Metropolitan Corporation under the jurisdiction of the applicable local building by-laws, zoning and other regulations.

Is anything further needed to show the complications of the present system — complications which will very largely disappear if the present federation form is abandoned?

SERVICES WHERE THE MAIN NEED IS A CHANGE IN SPONSORSHIP

Because of its strategic position in the metropolitan area, the City of Toronto undertakes in whole or in part a number of functions of benefit to the whole area. It would be much more logical to place these functions under the control of a municipality with area-wide jurisdiction. Since the service is in effect metropolitan or very largely so, the sponsorship ought to be area-wide; the required expenditures ought to be shared throughout the whole metropolitan area and any revenues should be pooled for the benefit of the whole area

TORONTO HARBOUR

Control over the Port of Toronto is entrusted to a body of five appointed Commissioners. Three of them are named by the City Council for a term of three years on nomination of the Board of Control. The two remaining Commissioners are appointed by the Government of Canada; one is always the nominee of the Board of Trade. The City of Toronto found it necessary recently to clarify its interest in the harbour with the Government of Canada and to reaffirm the right of local authorities to retain a dominant role with respect to the port function.

Toronto's best natural harbour is in the bay formed by the Toronto Islands. The Scarborough bluffs rule out any ready port development within the Township of Scarborough. To the west, small boats can and do operate near the mouth of the Humber and some further boating activity would be possible off-shore from the lakeshore municipalities. But the area within the City of Toronto has provided and may be expected to go on furnishing all important port services within the bounds of the Municipality of Metropolitan Toronto.

Over the years, the City of Toronto has made a substantial financial contribution to the development of the harbour. From 1927 to 1952 it put up \$17 million. From then on the operation of the port has remained self-sustaining. In addition, the port activities have bolstered the taxable value of waterfront properties. The City is also buying lands from the Harbour Commission. Harbour lands provide industrial sites, parking space and valuable waterfront parklands.

As an international port with a substantial annual tonnage, the Toronto harbour is no longer a logical responsibility of the inner area alone. The trading area embraces the whole of Metropolitan Toronto and in fact much territory beyond.

In a report to the City last May, the Commissioners made what analysis they could of the sources and destinations of goods passing through the port. The purpose was to measure the comparative interest of the City and the other area municipalities. Their letter noted:

- (1) that the Commissioners had no access to the nature of private operations in the port;
- (2) that most of the goods passing through the Commissioners' terminals were for the account of brokers or forwarding agents so that here again the names and addresses of the clients of these companies were not available;
- (3) that the known breakdown indicated a ratio of ten consignees to the City of Toronto for nine in the rest of Metropolitan Toronto.

The available factual information demonstrates a substantial suburban interest in the port activities. It would appear, also, to understate the degree of suburban involvement.

A further reason for giving the harbour operations area-wide status is that to a considerable extent the Commission finds itself dealing with metropolitan bodies. Metro is operating the Island park and leasing the ferry docks from the Toronto Harbour Commission. The Gardiner Expressway is being built in part across reclaimed lands at present owned by the Harbour Commission or the City. The Metropolitan Works Department maintains its own marine yard, dredges and tugs in the harbour area. Such ties serve as evidence not only of a growing metropolitan interest but also of the highly complex relationships which flow from the two-level system of government.

We think it indisputable that the Toronto Harbour Commission belongs under metropolitan-wide jurisdiction. Yet, as a long-time asset of the City, it should not be turned over to a metropolitan body unless the whole responsibility for government becomes metropolitan-wide.

The Toronto harbour must compete with other ports along Lake Ontario at Hamilton, Port Credit, Port Whitby and elsewhere. It is in the interest of the whole Toronto area to keep our port position strong. Competition of a healthy kind exists. Metropolitan unification would help this area to perform effectively under these conditions.

ISLAND AIRPORT

As of July 1, 1962, the Island Airport was placed under the direct jurisdiction of the Toronto Harbour Commission. Formerly it had been operated by the Commission on the City's

behalf. This airport offers both land runways, one of four thousand foot length, and a seaplane base and it can also claim the first City-suburban helicopter service in Canada, providing transportation of passengers to the International Airport at Malton. The varied activities at the Island make it one of the busiest airports in this country.

As with harbour operations proper, it would be logical to seek area-wide jurisdiction for the airport. Again we can only support such a change as part of a complete merger.

LIFESAVING AND HARBOUR POLICE

Because of the topography and ownership of waterfront lands, the beach areas for Metropolitan Toronto have for the most part been a City responsibility.

According to a recent report, forty-two per cent of the pleasure craft which are registered in this area are owned by City dwellers; fifty-one per cent are owned by people living elsewhere within Metro; and seven per cent belong to people resident beyond the metropolitan borders.

The City of Toronto maintains and pays the entire cost of the only marine police force. It is managed for the City by the Toronto Harbour Commission. The harbour police patrol the more than forty miles of waterways within the harbour area and supervise the lifeguards on duty at municipal beaches. The City of Toronto is interested in integrating the harbour police services with the general police functions performed by the Metropolitan Police Department. Again, the transfer would place the responsibility where it properly belongs.

CANADIAN NATIONAL EXHIBITION

Like the harbour sponsorship, the control over the Canadian National Exhibition is complex. The 350-acre landscaped site and the permanent buildings and structures are City-owned. The City of Toronto also has the chief municipal interest in the Canadian National Exhibition Association. Both in its park benefit and as a profitable year-round business enterprise, when viewed in its total concept with all its achievements, the Exhibition area is of great importance to the City. Under amalgamation, it too would constitute a valuable asset which would go to the larger municipality without return compensation. Here also, the City of Toronto must resist any displacement of its interest in the Exhibition under other less acceptable terms.

DEVELOPMENT DEPARTMENT

As mentioned earlier, the City is the only area municipality to operate a Development Department. Its primary functions are:

1. to co-ordinate and where appropriate to execute municipal redevelopment activities;
2. to foster and facilitate other approved redevelopment projects;
3. to execute municipal improvement programmes and to stimulate the maintenance and improvement of private property;
4. to maintain continuous liaison with all those concerned with the City's development.

While no suburban municipality is engaged in the same work, the Municipality of Metropolitan Toronto is working its way into parallel areas of interest. Just last year, Metro obtained special legislation in order to launch an urban renewal study whose boundaries are set as wide as the Metropolitan Planning Area. Both the City and Metro are immediately concerned with the potential use of land along the east-west subway. Consequently, the City Development Commissioner sits on a Metro committee concerned with the use of surplus land which is expropriated to facilitate subway construction, with air rights over the subway, etc.

The City's Development Department is dealing with very nearly as broad a territory and focus of interest as would be the case following amalgamation. As part of an enlarged City, its active jurisdiction ought to be extended into what is now York and East York and perhaps in a minor way into certain other areas. The present Department has already been in consultation with York Township officials on some problems of that area.

Transfer of the Development Department function to an area-wide municipality would be simple indeed. The result would be a fairer financial apportionment of costs in relation to necessary services which are in process of being established for the good of the whole area.

OTHER SUNDRY FUNCTIONS

Along the same lines as the above activities, certain functions are performed by the Mayor's office of the City and by the City Clerk's office which too benefit much of the metropolitan area.

Both offices receive many inquiries from faraway places from people who know only to write to the City of Toronto for information.

A second example is provided by the fact that the City finds itself the one municipality which must approve the appearance of child performers in live theatre productions since the performances almost inevitably take place within the City limits.

The City of Toronto is also by far the largest issuer of marriage licences. It is not in a position to turn anyone away because their residence is outside the City limits and, in any event, would not wish to do so. As municipal officials know, the rate of compensation from the Province for the performance of this service is well below an adequate recompense for the work involved.

OPPORTUNITY TO STRENGTHEN STAFF FUNCTIONS

The City of Toronto is proud of the quality of supporting services which are provided through its central staff-function departments. Reference has already been made to some of them. The list includes the Audit, Legal, Personnel, Property Management, Purchasing and Stores and Real Estate Departments and the Equipment Division of the Works Department.

It can be demonstrated without fear of contradiction that the City of Toronto has led the field in all of the above seven functions:

1. The Audit, Legal, Personnel and Real Estate Departments of the Municipality of Metropolitan Toronto were modelled on the corresponding City Departments. In the case of the Real Estate Department, the City recruited Metro's original staff and organized the operation for it.
2. On central purchasing, Metro buys the service from the City in the interests of economy. One wonders why the same policy has not been extended to other functions.
3. The central services afforded by both the Property Department and the Equipment Division of the Works Department are in advance of the customary municipal arrangements for such services.

AUDIT

The City Audit Department has been a leader in its field for over half a century. It has carried out the prepayment audit of all municipal expenditures commencing in the year 1909. The practice provides a useful brake on contemplated spending which upon examination may prove ill advised. Metro has followed the City's pattern with its own prepayment audit service.

In another area, the City Audit Department is again taking the lead. It is advising and assisting in the development of systems of centralized preparation of payrolls as well as processing of welfare and other information on advanced computer equipment. The payroll changeover will be complete by the end of this calendar year. Meanwhile, Metro is using the same equipment as the City and is processing its payroll as the City used to do. We expect in due course their operation will also be fully mechanized.

While certain advantages can be claimed for external as compared with internal auditing services, the latter is better suited to a large-scale municipal operation and relatively essential in such circumstances. Following amalgamation, a proven internal audit service with a high standard would be provided throughout the entire civic service.

LEGAL

This Department offers a specialized service with lawyers on staff who have concentrated experience in various aspects of municipal law, including tendering necessary advice and opinions to the Council and its committees, drafting by-laws, preparing agreements and presenting the City's cases in all courts and before the Ontario Municipal Board. Nine of the suburbs, including one of the large townships, rely on outside legal firms to do their work. Consolidation would strengthen the resources which could be brought to bear on all municipal problems.

PERSONNEL

The City of Toronto established its central Personnel Department early — in 1945. Over the intervening years, the Department has developed sound practices relating to salaries, wages and working conditions, pensions and other fringe benefits. The Department has a wealth of experience in recruiting and testing prospective employees, in preparing job descriptions, classifications and ratings and in maintaining high quality personnel records. Central personnel offices are now maintained in the larger suburbs as well as by Metro.

Today, labour management negotiations is becoming a steadily more important and more challenging undertaking. To operate effectively, co-operation is needed throughout the metropolitan area and beyond. Amalgamation would help to standardize the conduct of the whole personnel function with beneficial effects on pay levels, working conditions and work performance.

PURCHASING AND STORES

Establishment of the central purchasing operations of the City also dates back to the end of World War II, much earlier than in any other area municipality. Central purchasing and stores operations are undertaken in the larger suburbs but are not available to the smaller municipalities. The extension of the City's services on a contract basis to the Municipality of Metropolitan Toronto has reinforced an already rich experience.

By comparison with the arrangements which apply in the smaller municipalities, the extension of the central purchasing and stores operation as an accompaniment of amalgamation would have undoubtedly beneficial effects. Purchase by competitive tender would be strengthened: quantities would be increased attracting greater interest; the number of tender calls would be less; emphasis would be put on the use of appropriate minimum standard specifications which would encourage the maximum number to bid. Bulk purchase would reduce prices from the levels prevailing in the smaller municipalities. The central purchasing department would make available its knowledge of new commodities and materials thereby adding to the efficiency and economy of various operating services.

REAL ESTATE

We have already made brief reference to the work of the City's Real Estate Department. Purchases and sales of property by municipalities are highly significant transactions. It is especially important that their dealings with the public leave behind no sense of injustice. With qualified appraisers on its staff, a central real estate department can evaluate the advice of real estate firms, accumulate a wealth of information on real estate values and make suitable use of such information in its own individual transactions. An amalgamated department could achieve a uniform and consistent approach to the question of compensation. It would eliminate the confusion and fears which can so easily surround the necessary expropriation of land for public purposes. It could ensure that a sound uniform procedure was laid down and adhered to governing the sale of surplus lands.

The real estate problems in all thirteen area municipalities are similar. Yet all but one or two of the suburbs conduct their transactions without the benefit of specialized personnel. A unified real estate function would represent a clear improvement over the status quo.

PROPERTY MANAGEMENT

The City of Toronto has established a form of centralized property management which has no parallel in the Municipality of Metropolitan Toronto or in any of the suburban municipalities. To our knowledge, its approach has not been duplicated by any Ontario municipality. It should be added that the Department's methods have been worked out on sound business principles. We suggest that they provide a model for modern property management in other Ontario municipalities of large size.

AUTOMOTIVE AND INDUSTRIAL EQUIPMENT MAINTENANCE

The City of Toronto is unique also in the extent to which its vehicle repair and maintenance operations have been centralized. This service was placed under the control of the Equipment Division of the Works Department in 1958. It operates through one central maintenance garage and seven sub-garages in district locations. General overhaul of vehicles and equipment is carried out in the central garage while preventive maintenance, minor repairs and the normal functions of a service station are performed in the other garages spread throughout the City.

The Equipment Division is responsible for looking after close to 1,500 pieces of equipment of which more than half are self-propelled vehicles. Based on its inventory of all this equipment, the Division has developed depreciation schedules from which it decides when equipment needs to be replaced and arranges for the new purchase. In addition to City equipment, the Division services the automobile of the Metropolitan Chairman on a contract basis.

The Equipment Division provides yet another example of the City's proper response to the growing volume of all its operations. Centralization enables specialized personnel to be employed, the need for repairs to be anticipated and the actual repair to be carried out before avoidable major damage results. The cost of repairs can be scrutinized and held in proper relationship to the amount and type of use to which the equipment is subjected.

The point about all these staff functions is *not* to claim for the City imagination and initiative which the suburbs have lacked. Rather, as the largest and the oldest urban municipality in the area, Toronto has had the best opportunity to develop strong administrative arrangements and the ability to work out certain procedures which are quite beyond the reach of the smaller suburbs.

This City has been pleased to assist the Metropolitan Municipality to duplicate certain

of our proven systems and methods. We have been glad also to see the townships moving in the same direction.

At the same time, we must make the point that the conditions under which this area operates do not permit the maximum use of modern methods. Even our own City cannot provide the range and quality of central staff services which an amalgamated municipality could furnish. But we can, through our experience, ensure that strong staff service will follow amalgamation and provide a suitable foundation for further improvement.

THE CASE WITH RESPECT TO PRESENT SHARED FUNCTIONS

Next, we describe some of the benefits that might be anticipated and some of the difficulties that might be overcome through the complete merger of those municipal functions where the responsibility is now divided between the Metropolitan and the "area" levels.

TRAFFIC ENGINEERING

More than one serious effort has been made to bring about unification of Traffic Engineering services — a change which some people thought would flow from the establishment of a Metropolitan Traffic Engineering Department and its efforts to promote uniform procedures relating to all roads throughout the metropolitan area. But while complete merger has so far been rejected, very great progress has been made towards it. For several reasons, unification would be much easier to attain today than ten years ago:

1. A uniform traffic by-law has been developed and in substance adopted by all fourteen municipalities.
2. Traffic control signs, pavement markings, etc., are now substantially standardized throughout all municipalities.
3. An electronic control system for traffic was first considered in 1957 by the then Traffic Engineer of the City in conjunction with a consulting firm and its feasibility determined. The idea has since been taken up by the Metropolitan Traffic Engineer and the system is in process of being established on a Metro-wide basis.
4. To facilitate the electronic system, jurisdiction over signal-light traffic control systems has been transferred to Metro.

All these developments were made possible by (a) a marked degree of co-operation among the municipalities concerned, (b) the initiative taken by the City and Metropolitan Traffic Departments, (c) the leadership provided by the Provincial Government and (d) the fact that policing had become a metropolitan-wide function.

The partial merger of the traffic engineering services which has been effected should be carried to completion. The remaining changeover would cause little upset and would bring further dividends:

1. The areas now contained in the seven small suburbs would have available to them on a regular basis the services of a specialized staff to evaluate and make recommendations towards overcoming their local traffic problems after consultation with local people and the police.
2. Economics could be anticipated through fuller utilization of men and equipment in the field, through volume procurement of equipment and materials and through the expansion of the City's sign shop services to supply the entire area.

3. Under a single department, traffic engineering would be more closely integrated. Some problems would be dealt with more readily and perhaps on occasion with greater dispatch.

PUBLIC WORKS

The complications which ensue from the splitting of responsibility for roads, sanitary sewers, storm drains and water supply have already been indicated. This fact constitutes one of the strong arguments for merger of all these public works undertakings.

In one way of looking at it, the responsibility for sidewalks can be listed with the functions coming under exclusive control of the area municipalities. In reality, the retention of area jurisdiction over all sidewalks divides a responsibility in a way which can prove awkward. In planning its maintenance work, the City inspects the condition of the road, its curbs and sidewalks, especially those directly abutting, all at one time. When the road or curbing needs to be rebuilt, the sidewalk may too; and wherever feasible the work ought to be planned and executed concurrently.

In some instances, the City has contracted with Metro to reconstruct sidewalks and curbs in conjunction with the reconstruction of a Metro road. City specifications require that the sidewalk and curb be poured monolithically; Metro specifies that they be poured non-monolithically. When the City lays a sidewalk or curbing, it requires the contractor to give a five-year guarantee. Metro asks for only a two-year guarantee on its curbing.

For the work it does with its own men on road maintenance and construction, the City of Toronto operates an asphalt and concrete batching plant. The capacity of the plant is much greater than the current requirements for work on local roads within the City limits. The plant was intended to meet an expanded need which was blocked off by the creation of Metro. The limiting factor on extended use of the present plant is distance rather than productive capacity. Thus the re-establishment of all municipal roads in one system would bring a greater mileage of roads within reach. It would add the Metro road mileages within the plant radius and some further roads in adjacent areas within several present suburbs.

Today the efficiency of public works undertakings and likewise of winter control and street cleaning operations is interfered with by the local boundaries which create such an irregular patchwork of jurisdictions within the confines of the Municipality of Metropolitan Toronto. The same applies to garbage collection. The best system of districting would require areas to be laid out which would cross present political boundary lines and not separate arterial roads from local streets.

The City's surveying operation has been carried on systematically over a great many years. As a result, complete and consistent records exist in relation to present land uses and capable services are available in support of authorized changes in use. Until 1958, the surveying work for the Metro Roads Department was carried out by the City.

When survey work is performed in part by departmental staff and in part on a contract basis, the approach is not necessarily uniform and the results may not be the same. In addition it takes professional staff to check and supervise work which is procured under contract; this the smaller suburbs are not in a position to do.

Prior to the formation of Metro, the City sold water to municipalities that did not have access to an adequate supply of their own. For the most part the water was delivered through six-inch and twelve-inch mains with meters installed at the City limits. When Metro took over, it at first assumed maintenance of these small supply mains and meters. In time however, it installed a network of large supply mains and the smaller mains became superfluous: the meters

were removed and the mains capped at the City limits. Responsibility for them was turned back on the City.

The City of Toronto maintains the services of machine, meter, blacksmith and carpenter and paint shops. It carries out rebuilding and major repairs on hydrants and water meters. The kind of facilities at the City's disposal are warranted because of its work volume. Amalgamation would enable the existing facilities to be further strengthened and the services to be extended throughout the entire metropolitan area.

At the present time the volume of domestic refuse coming out of households throughout Metropolitan Toronto is estimated at just over seven million cubic yards per annum. On top of this volume of domestic waste, we must contend with further large quantities of commercial waste. If the present pattern continues, the volume will at least match future population increases. Refuse disposal has reached the point where it has a multi-acre appetite for eating up land-fill sites. In the absence of steps to reduce volume, the situation will very shortly become critical.

The most practical method of conserving land for waste is the judicious use of incinerators. The City of Toronto has practiced conservation in the use of land-fill sites for forty years. Under amalgamation, we should look for an extension of the City's careful practices to the entire disposal operations throughout the larger area.

Garbage disposal is another service where large-scale operation brings benefits. It takes a population of some 100,000 to warrant the type of incinerator which the City of Toronto uses. The point is illustrated also by the fact that York and North York operate a Joint Board of Management of Incineration for the two townships.

PUBLIC WELFARE

The fact has already been noted that the financial responsibility for shareable general public assistance has recently been shifted from the thirteen area municipalities to Metro. This change has eliminated one financial problem, the preponderant share of the load which this City had been shouldering, and one administrative problem, the complicated system of charge-backs between area municipalities which are part of the same metropolis. But other inequities remain.

When the Metropolitan Department heads were putting together factual information for the Metropolitan Council's latest study of amalgamation, the position taken by those responsible for welfare in the suburbs was that the services they were providing were in all respects adequate to meet requirements. The City of Toronto is lacking the factual information to either confirm or contest their stand. In any event, this City has found it necessary to grant assistance for special items for which there is no provision in the regulations, that is, cartage, prescription drugs, dentures, glasses, etc. It has also been necessary for the City to supplement the maximum shareable amounts provided in the regulations in respect to payment for nursing home care and for supplementary aid to recipients of government allowances. The total City expenditure under these heads in 1963 was \$439,000. An idea of the Department's further activities is conveyed by the fact that its net outlay on nursing care alone was over \$100,000 and on nursery and day care centres almost \$250,000 without allowances for the cost to the City of certain accommodation which was met through its central Property Department.

Amalgamation would remove a large remaining inequity in the financial burden for public welfare which falls upon this City and its taxpayers. It would eliminate any lingering doubts one might have as to the adequacy of suburban welfare operations, particularly in the smaller suburbs, and it would ensure that in the consolidated management of these public welfare undertakings, a thoroughly professional and efficient approach was at work.

The City's Department of Public Welfare is utilizing a blend of competent administrators and persons with professional social work qualifications. It is making use of all the safeguards and administrative aids available to a large department located in a modern civic administration. The Audit Department provides a pre-audit of welfare assistance cheques. The Department of Finance looks after issuing the cheques and accumulating statistical data. The mechanical issuance system permits cheques to go out twice monthly and this helps the recipient to manage his funds better. The City Real Estate Department appraises the rental value of accommodation occupied by welfare recipients thereby ensuring that rental allowances under the regulations are warranted. The Department of Buildings and the Department of Health in turn provide their services to see that those in receipt of public assistance are not living under conditions which constitute a serious hazard to health or safety. The Welfare Department also makes the customary use of other staff departments.

PARKS AND RECREATION

The requirements falling upon the thirteen area municipalities to provide park and recreational facilities are influenced by a variety of factors which have little relationship to each particular municipality's capacity to pay. Some important considerations include:

- 1) the density of housing and of commercial areas and the extent and availability of institutional green space,
- 2) the age composition and economic circumstances of the people,
- 3) the number employed in an area and the extent of green space or recreational facilities furnished by their employers,
- 4) the numbers and types of trees and the mileage of streets with boulevards,
- 5) the amount and the particular character of Metropolitan and of Conservation Authority parklands,
- 6) the location of beaches, ravines and other applicable topographical features,
- 7) the inclusion of places where tourists congregate warranting expenditures on ornamental gardens, etc
- 8) the location, sizes and types of existing parklands, resulting in part from past bequests, from land becoming surplus to expressway construction, etc.

By matching the factors which affect local park and recreation requirements against the City of Toronto's situation the reason for its very substantial Parks and Recreation Department budget become plain.

During the nine-year tenure of the present Commissioner, the City of Toronto's park and recreation programme has served to raise standards substantially. This has involved a continuing capital outlay, in part from current funds. Yet the proposals of the Metropolitan Parks Department for the Island alone will mean as much or more capital cost than all Toronto has spent during the past nine years. Desirable as the Island development is, the comparison leads one to wonder if in the total picture the priorities are in fact right.

The parks operation offers a number of examples of the weakness of divided jurisdiction and of the returns to be reaped from merger:

1. The advantage of large-scale organization is illustrated by the fact that the City of Toronto meets all its horticultural requirements with one growing greenhouse located in High Park. The City also operates Allen Gardens which provides a continuous horticultural show for the benefit of people from all parts of the metropolis and for visitors to the City. Why should not all taxpayers share in the expense?

2. The merger of park responsibilities would permit a more efficient deployment of maintenance crews not only through the combination of Metro and area responsibilities but by the elimination of internal boundary lines. York Township, for example, is responsible for parklands in the Baby Point area which would more logically be fitted into a City park district.
3. Toronto's effort to fight Dutch elm disease was supported by the Metropolitan Parks Department but frustrated by the less aggressive efforts of some suburban municipalities. Dead trees which were left standing infected other live trees which might have been kept free of the disease much longer. The stage has now been reached where all of Toronto's elms, numbering from twenty to twenty-five thousand are doomed and must be taken down at a cost of about \$200 a tree.
4. On November 7, 1960, City Council adopted a new policy calling for access without charge to the recreational facilities on parklands. This fact in combination with the large capacity and high quality of such recreational facilities has resulted in a considerable invasion of the City's services by suburbanites. As a result, the City is discouraged from locating new recreational facilities in park areas close to its boundaries and if this is done the effect is to penalize City dwellers who live in such areas. The plan to extend the east-west subway into Scarborough and Etobicoke will, in the absence of amalgamation, add further to an already serious problem.
5. It is not easy to draw a sure line between metropolitan and area responsibilities on parks and recreation, even assuming the concept has general validity. Because Metro was slow in coming forward, the City felt obligated to construct an Olympic Pool in the Woodbine area. And, one asks, what will be the future of the Sunnyside Pool? While it has been operated by the Toronto Harbour Commission, there has been an admission charge. The pool is thirty-five years old and needs a substantial amount spent on it to put it back in shape. A pool of such dimensions might be justified if it drew people from far afield; and if the Parks Department takes it over, renovates it and operates it free, that will probably result. But it becomes a financial imposition on City taxpayers.

In the same vein, we note that the City of Toronto has been the municipality to assume responsibility for the Rosetta McClain Park, a property located in Scarborough which became available as the result of a bequest.

6. The responsibilities thrust upon the one area municipality with the major waterfront location have already been mentioned. Today there is a growing demand for public marina facilities. The City of Toronto is holding back because there is no way in which it can recover a share of the cost.
7. It is sometimes suggested that local recreation programmes are an ideal service to be operated by the local municipalities within a two-level system. This is certainly not true for Toronto, however, because of the varied and changing recreation needs of this large and growing metropolis. Club facilities for senior citizens used to be most wanted in the downtown area; more and more are required in the outer areas. The planning and execution of a recreation programme which is sound is not any longer a job for amateurs. As with the educational system, moreover, we cannot afford to encourage competition for professional staff between one part of the metropolitan area and another which forces an unwarranted upward spiralling of pay levels for recreation personnel. Again, while the appropriate size of recreation centres varies somewhat, most such centres should be made to serve a population of perhaps 50,000 or upwards. The boundaries of present area municipalities constitute an obvious interference with the most suitable location of an appropriate number of such centres to cover the whole metropolitan area.

PARKING

The City of Toronto has faced a far different problem than the suburbs on parking. The reason is that most of Toronto's development pre-dates the automobile whereas the suburbs could see and allow for the voracious space requirements of the motor vehicle. Consequently the big unfilled need remains off-street parking in the central area and particularly where strip commercial lines the busy streets. In addition, a new requirement is emerging for parking to complement rapid transit and commuter train services. Without such facilities, all day parkers create a continuing problem in adjacent residential areas. Here the suburbs are also concerned.

At the moment a sub-committee of the Metropolitan Subway and Related Development Committee is giving intensive consideration to parking requirements along the whole of the east-west subway including the portions extending into Scarborough and Etobicoke. The Committee is concerned with more than parking facilities at station stops and the terminal points. It wants, using land which subway construction opens up, to create additional off-street space in order to encourage local commercial developments along the route. The activity is one which will help the whole metropolitan area and where no room exists for competing ambitions of the area municipalities.

In 1956 the Municipality of Metropolitan Toronto gained the authority to sponsor off-street parking or to contract for such facilities with the Parking Authority of Toronto. As yet Metro has not proceeded along either course.

The organization which the Parking Authority of Toronto has built up over more than a decade could easily be enlarged to provide the kind of area-wide service which is wanted and to make of it a paying proposition. The change would assist the proper co-ordination of all communications interests — arterial roads, mass transit, commuter rail service and traffic control.

PUBLIC HOUSING

Municipalities and associated local authorities have intervened directly to increase the housing stock with several major objectives:

1. Removal of substandard housing and rehousing of the occupants in better accommodation.
2. Subsidization of housing to enable people to live in better housing than they could otherwise afford.
3. Stimulation of an increase in the stock of moderate cost housing through land assembly and limited dividend housing projects.
4. Making available moderate or low-cost housing for particular categories of people including welfare recipients and others on low incomes, persons with limited means and large families and older people.

Three municipalities in the Toronto area have shown a particular interest in public housing undertakings — Metro, York Township and the City of Toronto.

The Act of Federation gave the Metropolitan Corporation the same powers with respect to housing as those conferred upon other municipalities by general legislation. Continuing, it stated specifically that the powers of the area municipalities were not thereby limited. The Metropolitan Municipality was empowered to enter into agreements with area municipalities on housing projects.

In the 'thirties, a comprehensive study of Toronto's substandard housing areas was carried out under the direction of the late Dr. Herbert Bruce. His report provided the initial stimulus which led to the formulation of a post-war plan for the clearance and redevelopment of the

Regent Park North area by a limited dividend company. When the company got into difficulties, the City felt obliged to step in. It obtained as a consequence unusually wide and direct powers in the housing field for its own agency, the Housing Authority of Toronto.

The Regent Park North undertaking was the first subsidized low-rental housing project in Canada and a very substantial credit to the City. Completed on a super-block plan to add usable open space, it was enlarged eventually to contain just under 1,400 dwelling units. The project produced a rent scale which attracted interest throughout the country, a plan of tenant selection which was likewise notable and a management record that has continued to live up to the fine reputation earned for the enterprise in the beginning.

The position on public housing as reported last year by Metro showed 3,707 units of low-rental housing completed or under construction of which the City of Toronto was credited with 1,397. In moderate-rental housing there were 1,269 units, including 903 under construction, all coming under the jurisdiction of the Housing Authority of Toronto and its limited dividend company. In elderly persons housing, limited dividend companies associated with the Metropolitan Municipality and York Township were responsible for 1,994 units, 128 of them in the York Township project. A fact not noted was that the Housing Authority of Toronto has a building of 109 units in Regent Park North which is reserved for diminishing families — another form of help to the elderly.

The Toronto Authority has also carried out two interesting pilot projects: the first involves the rehabilitation of existing residential buildings in co-operation in one case with a church organization; the second the renovation of dwellings for occupation by families with particular adjustment problems.

Assuming that public intervention is needed to improve the housing of our citizens, why should any of the local municipalities be expected to continue any degree of unilateral action to meet the particular requirements within their own boundaries? Is this not a metro-wide problem? It is not surprising, therefore, that commencing nearly two years ago the Municipality of Metropolitan Toronto set up a committee to explore the feasibility of consolidating the Metro and City public housing responsibilities at the Metropolitan level. The project appeared first to be making some headway, then foundered. It did serve, however, to bring wider recognition of the Housing Authority of Toronto's very broad powers — powers in housing which are no longer being conveyed upon municipalities. It drew attention also to the extent of the assets which the City's agent has assembled, especially in Regent Park North. Under present circumstances, the Metropolitan Toronto Housing Authority can hardly be expected to take them over without compensation. And the likelihood that the senior partners in its enterprise — C.M.H.C. and the Province — will approve such a course does not seem very great.

The City of Toronto's exceptionally strong record in the housing field represents another valued possession which under amalgamation would be turned to the benefit of the enlarged city.

EDUCATION

The Board of Education for the City of Toronto has put in its own brief in support of amalgamation. It lists and substantiates four defects of the present two-level system:

- “(i) Inequitable distribution of financial burdens;
- (ii) Problems of teacher recruitment;
- (iii) Inequities in implementation of the Metropolitan principle;
- (iv) Persisting municipal boundary problems; their effects on parents and children.”

In addition, the report contends that the present arrangement impedes the local school authori-

ties in their efforts to meet the specialized needs of children. It concludes by presenting its case for more and broader research in the field of education and by explaining how amalgamation would assist in the accomplishment of that objective.

THE POSITION WITH RESPECT TO EXCLUSIVE LOCAL FUNCTIONS TAXATION

Something has been said already in support of unifying the taxing responsibility. With the commencement in 1961 of its six installment system of realty tax billing, including three pre-levy installments, the City has done its best to relate tax payments to the convenience of the taxpayers as well as to the steady need of the City for current revenue. In the process, it has virtually eliminated the necessity for temporary borrowing, converting a cost of \$200,000 to an interest-earned profit of half a million dollars. Although the other area municipalities have been supplied with the City's experience, they have not in most cases availed themselves of the advantages to which it points.

Besides its tax levying and collection services, the City Finance Department also processes the water accounts and has charge of the new IBM equipment which is utilized by other civic departments and the Metropolitan Corporation. It is the source also of the centralized services concerned with organization and methods. Thus there is little doubt of the Department's capacity to head up a capable tax billing and collection service for an enlarged municipality.

PUBLIC LIBRARIES

The Toronto Public Library Board has prepared its own submission setting out its position on library services and petitioning for unification.

The following information and views have been extracted from the Library Board brief:

1. Only four small suburbs had library boards before 1944 — Weston, Mimico, New Toronto and Swansea. When Metro was formed, three suburbs were still altogether without library boards — North York, Scarborough and Forest Hill.
2. In 1962, per capita expenditures on this service ranged from a high of \$5.03 in Leaside to a low of \$1.27 in Swansea. At \$4.15 per capita, the City was well above average. New Toronto with \$4.51 and Long Branch with \$4.38 were also in the upper bracket whereas Scarborough, which spent \$2.09 per capita, Mimico with \$2.07, East York with \$1.49 and York Township with \$1.56, were notably low.
3. In addition to residents and City taxpayers, the Toronto Public Library opens its doors freely to such persons as those employed within the City, full-time students of institutions located in the City and persons holding membership in five of the northerly suburbs with which the City has reciprocal arrangements. Reference assistance is available to all who telephone or visit the Central Reference Library. More than half the users of the downtown and central libraries are non-residents.
4. As of December, 1962, over fifty-eight per cent of the library book collection in the metropolitan area was owned by the Toronto system. With under forty per cent of the population, the City accounted in 1962 for some forty-five per cent of the circulation.
5. The Board seeks the development of central administration for the specialized library facilities and district administration of the remaining library facilities within five districts all forming part of a metropolitan-wide service.

FIRE PROTECTION

The case for unification of fire services has been presented repeatedly over the past fifteen years. Throughout that time a number of particular conditions have altered including some strengthening in the relative position of suburban equipment and manpower; but the essential argument remains the same.

In 1958 when a special committee of the Metropolitan Council was studying the subject for the second time, it happened that the work week for City firemen had recently been reduced from fifty-six to forty-two hours while those suburban municipalities employing full-time firemen were still without exception on the fifty-six hour week. Since then, Scarborough and Mimico have dropped down to the forty-two hour week while the remaining townships together with Leaside, New Toronto and Weston operate on a forty-eight hour week. Only Forest Hill Village and Long Branch remain now on a fifty-six hour week. Swansea now as then relies entirely upon volunteers. The differences in hours have also been offset to some slight degree by adjustments in pay levels.

Based upon the 1962 level of operations, the latest year for which actual expenditures were available, the Toronto Fire Chief has calculated that the present salary problem could be overcome, aside from pension benefits, for an outlay of some \$1.3 million including the elimination of all volunteers and the addition of personnel to bring the manning of present equipment up to City standards. The figure represents an increase in overall spending of slightly over ten per cent. It seems a reasonable price to pay for the obvious benefits which would accrue.

The City of Toronto offers to provide your Commission with as much detailed information respecting fire services as we can assemble in order to assist you in conducting as exhaustive an examination of the firefighting services as you deem necessary in order to reach a firm conclusion respecting the contentious issues which have centred around this one important service. Having made such an offer we confine ourselves in this report to a summary statement of the major problems:

1. At last report, North York, Etobicoke, Mimico, New Toronto, Long Branch and Weston were making some use of volunteers while Swansea was completely dependent upon them. More than a hundred men were involved. It is our considered opinion that there is no place whatsoever for volunteer firefighters in a department charged with fire protection within a large urban metropolis. The fact that it is served by thirteen different Fire Departments makes the arrangement less excusable, not more. The first few seconds after the alarm comes in are the most precious moments for the saving of lives and property. Furthermore in this day and age the volunteer cannot hope to be as well trained in the techniques of fire protection work as the full-time fireman. Nor can he be used effectively on fire prevention inspections which occupy an increasing proportion of the firemen's time.
2. The small municipality cannot afford certain expensive firefighting equipment, a rescue squad car for example. Of the twenty-three aerial trucks available throughout greater Toronto to protect high-rise apartments and other tall buildings, seventeen are owned by the City of Toronto. A small municipality may also be forced into over-equipping itself on some items: it cannot buy half an aerial truck or pumper. Again the small place is not in a position to maintain the motor and equipment repair shop facilities which are found in a large city establishment like Toronto's.
3. Throughout Metropolitan Toronto, internal municipal boundaries have distorted the location of fire stations and the area of coverage that is given from each station. In illustration, amalgamation would result in consideration being given to combining the coverage now

provided from Fire Station 31 in Toronto and Station 57 in York Township. Similarly, a more important role could be assigned to the strategically-located Swansea Fire Station than it can now assume.

4. Improved coverage of the metropolitan area would result also from the deployment of manpower under a single command, thereby eliminating boundary disputes, paid aid and mutual aid arrangements and confusion and delays in communications.

If today the firefighting services are strong enough to avoid unnecessary loss of life, a position which is by no means certain, differences are still such that lives can be saved only if on occasion property is sacrificed. In the opinion of the Toronto Department, trucks in some suburbs are not adequately manned to protect both life and property.

With all the emphasis which greater London has placed upon its local boroughs, the amended pattern of government for the London area calls for the unification of fire services throughout the whole of the greater London area with a population of between eight and nine million persons.

STREETLIGHTING

In considering the need for amalgamation, the divided responsibility for streetlighting may be regarded as of minor significance. It provides only a tiny fraction of the electric revenues to the local hydro commissions. There are two points of concern, however.

1. From the standpoint of appearance, uniform streetlighting is desirable along roads which run through parts of two or more municipalities. To ensure uniformity of streetlighting on the Gardiner Expressway and likewise along the Don Valley Expressway, the Metropolitan Municipality reserved to itself the exclusive right to install and pay for all streetlighting regardless of the area municipality in which the portion of the roadway was located. And the lighting was designed to the Metropolitan Roads Department's specifications.
2. Streetlighting must be adequate to ensure the safety of pedestrians and motorists. Minimum acceptable standards are more likely to be met if one large municipality discharges that entire responsibility.

BUILDING BY-LAWS

The City of Toronto's Buildings Department is responsible for the enactment of a suitable building by-law, a standard of housing maintenance by-law, a plumbing by-law and other similar measures. The Department looks after the enforcement of its own by-laws and of the zoning by-law and certain other legislation like the Construction Safety Act and the Trench Excavators Protection Act. It investigates the suitability of premises of a considerable proportion of the businesses licenced by the Metropolitan Licencing Commission and it is responsible for the Department's own licencing of dry-cleaning establishments.

Large portions of Toronto's building by-law were incorporated into the National Building Code when it was set up. There is a Toronto Area Code Committee on which each municipality is represented. The City takes a lead in instituting constructive provisions which emerge from the Committee's work. Certain suburban municipalities have actually copied the City's building by-law word for word.

Since December, 1949, the Metropolitan Toronto Board of Trade has publicized 374 building material and construction approvals by the City of Toronto in a special bulletin which the Board circulates through the whole metropolitan area. The purpose is clear. The Toronto approvals are setting the pattern for the greater area as the Board of Trade has recognized.

Toronto is one of three Ontario cities which has adopted a standard of fitness housing by-law, passed first in 1936 as a consequence of the "Bruce Report". It was considerably strengthened in 1956, including provision for larger loans to rehabilitate housing and stricter enforcement provisions.

The City of Toronto is the only municipality in this metropolitan area to have passed a heating by-law, paralleling the concept of the plumbing by-law but requiring a permit for the installation or alteration of heating systems. The by-law has been well received by the heating industry and would, we believe, be fully acceptable on a metropolitan basis.

A number of further points should be noted which favour amalgamation:

1. Today in greater Toronto we find one metropolitan body, the Licencing Commission, granting almost all forms of licences while the area municipalities are expected to take responsibility for much of the needed enforcement.
2. The importance of uniform construction controls has long been apparent to responsible professional people associated with the construction industry including architects and professional engineers, representatives of the Ontario Departments of Labour and Economics and Development, the National Research Council, the Toronto Construction Association and the Metropolitan Home Builders' Association. Working as a committee which includes representatives of each area municipality, such a group has done its best to create and maintain uniform building codes throughout the Toronto area. Yet while implementation and enforcement fall back upon the thirteen area municipalities, differences will remain.
3. In the City of Toronto's building by-law there are sections dealing with termites and the City employs a termite control inspector. Some years ago these destructive insects were only known to exist within the City proper. It has now been established that they are present in East York, Scarborough and York Townships. Concerted action would strengthen our defences against this pest, whose injurious effects upon property values have required downward adjustments in taxable assessments.

HEALTH SERVICES

In 1962 the gross expenditures on services of the health departments in the thirteen area municipalities on a per capita basis were as set out below. The figures for East York and Leaside, which are under a common health unit, have been combined.

1962 Per Capita Health Expenditures

City of Toronto	\$4.64
East York and Leaside	2.77
York	2.16
North York	1.98
Weston	1.84
Scarborough	1.74
Etobicoke	1.71
Forest Hill	1.65
Swansea	1.27
New Toronto	1.03
Long Branch	.91
Mimico	.64

With health services as a responsibility of the area municipalities, the extent of the variation in expenditures per capita is startling in the extreme!

The amount spent on conservation of health per capita as reported in municipal audits does not of course tell the whole story. There are significant differences in the need for such services based upon such things as the proportion of the population in various age groups and the economic circumstances of the community. One instance of an unusual demand is seen in the value to the Toronto nursing staff of including persons who can converse in various foreign languages.

Several details should be noted about the statistics. The City figure under-estimates its cost because the expense of accommodation in district offices and in the head office is charged to the Property Department. The per capita effect is very nearly offset, however, because since 1961 Metro has been recouping the City Health Department's cost of dairy herd inspections for the area — a service which has now been taken over by the Province. A remaining difference exists through the fact that psychiatric services in the public schools are a responsibility of the Toronto Board of Education and the cost is met from school taxes. A further point is that East York and Leaside recover part of their expenditures in health unit grants for which other municipalities are not at present eligible. East York gets back one-quarter of its gross outlay and Leaside one-third.

Finally we point out that despite the sharp contrasts in the level of spending, the gap is narrower than it used to be. In particular, the large townships have been extending the range and adding to the quality of their health services.

The City of Toronto has long been noted for the excellence of its Health Department. In recent years, also, it has launched into some important new undertakings.

The City operates an ambulance service, which suburban municipalities generally do not do. Etobicoke is an exception, having a contract arrangement for the provision of ambulance services in that municipality. The City of Toronto maintains eight top calibre all-purpose vehicles. At any one time six are in operation with two more on stand-by duty. Inevitably some service is given to persons from outside the City.

About six years ago the Department inaugurated a pre-school dental health service which provides a worthwhile extension of the very complete dental services which have been made available for some years to school age children and to those entering school. The new programme will require three-member teams in each of the eight districts into which the City is divided for health administration. The work is being carried on in the district offices and in a score of child health centres.

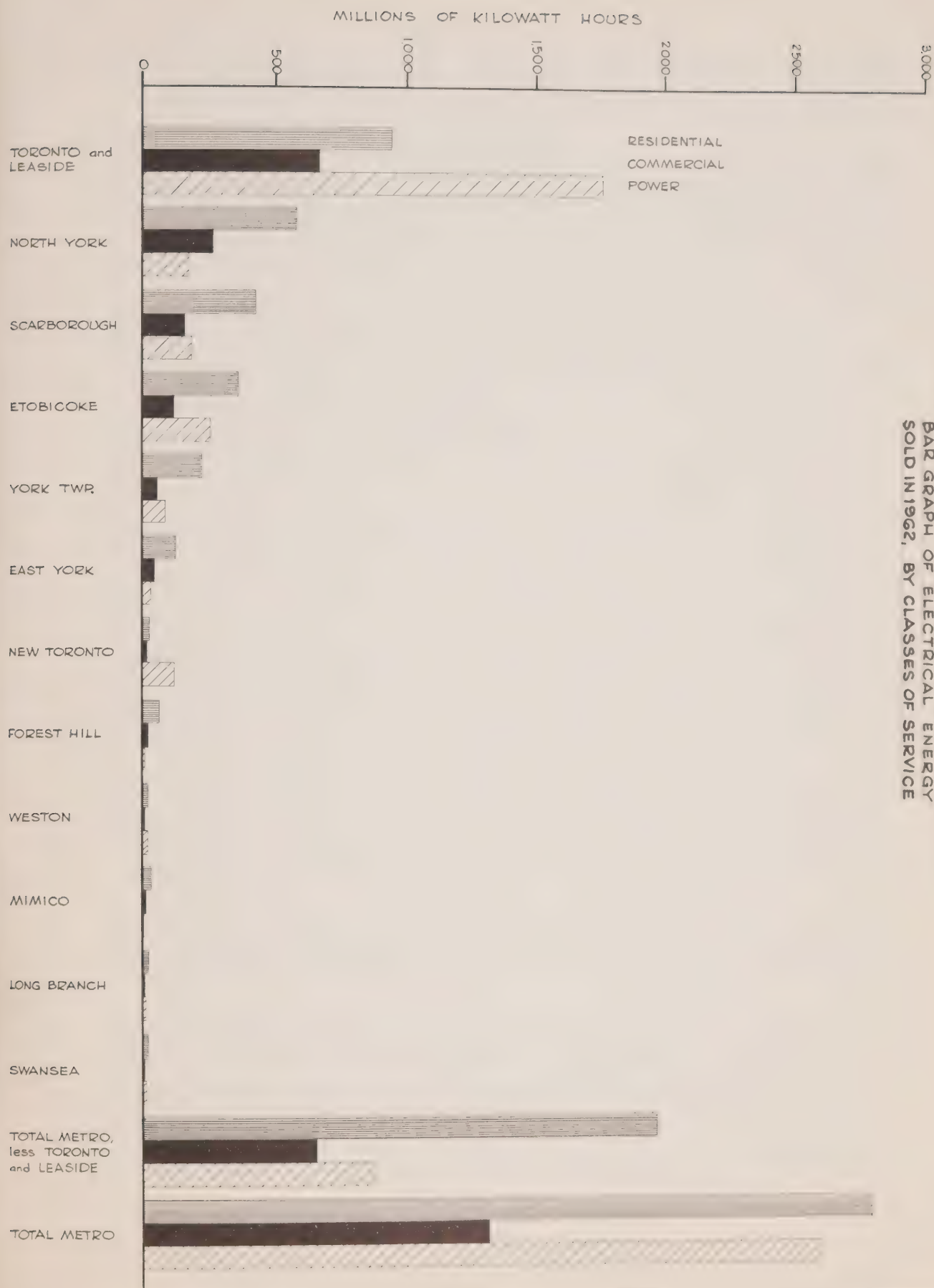
Only in Leaside, East York and North York are operative dental services available through the municipal public health department. Their services are in general confined to school age children. In North York's case, the service is perhaps more extensive than that offered by the City.

The Mental Health Division, which provides the psychiatric services throughout the rapidly growing number of separate school classrooms, began a new adult programme less than four years ago. Specially qualified public health nurses are being given a year of advanced training which fits them to supplement the ordinary community nursing services with this special form of aid. Such nurses help to uncover problems at an early stage, make medical referrals and assist persons released from mental hospitals.

The City Health Department provides a very complete record of the health status of the community. It utilizes punched cards to set down information and rented IBM equipment to process and analyze the facts for the public benefit.

Unification of health services would not raise standards within the City. The chief

ELECTRICAL UTILITIES METROPOLITAN TORONTO
BAR GRAPH OF ELECTRICAL ENERGY
SOLD IN 1962, BY CLASSES OF SERVICE



benefit to the City would be in relief from the provision of services on a courtesy basis to non-residents.

ELECTRIC SERVICES

Throughout the Toronto area, hydro-electric services are the responsibility of eleven autonomous hydro systems. Leaside comes within the Toronto system, Long Branch is served from the Etobicoke system. The position which results from the divided responsibility for distribution and sale of electric power needs to be looked at from two different, but inter-related aspects: operational efficiency and cost, the latter with its implication for customer rates.

From an efficiency standpoint, the present local boundaries handicap operations in several respects:

1. The haphazard boundary lines, particularly in relation to existing industrial and commercial concentrations, mean that there are load centres close to the City boundaries which cannot be effectively used because power cannot be fed in all directions. The substations in the St. Clair and Danforth areas are examples. Similarly, it would be useful to locate a substation in the Oakwood-St. Clair area if it were not for the existing municipal divisions. On the other hand, because density of development lessens as one moves towards the outer limits of the Municipality of Metropolitan Toronto, these particular boundaries are of much less concern to the location load centres. In addition, the line is regular, unlike the present City-suburban divisions.
2. The multiplicity of local hydros presents less of a problem than might be expected because, in the late 'thirties, the City actually built the systems in Swansea, East York, Forest Hill and York. They continue to be influenced by Toronto's system and standards. In addition, the larger townships have turned to the Toronto Hydro for engineering advice with some resulting similarities in set-up.
3. A notable imbalance exists among the various utilities between the three main classes of service, namely, domestic, commercial and industrial (power). The accompanying bar chart provides a breakdown of the energy sold in 1962 to each of these classes of users by each local system within the Metropolitan boundaries. The effects of combined operations of the suburban systems and of the suburban and City systems are also portrayed.

It can be seen that Toronto and New Toronto have a preponderance of commercial and industrial load whereas the domestic load bulks much greater in the utilities elsewhere throughout Metro. Amalgamation would, by combining the respective electric loads, present a more balanced load condition. It would in itself produce an improved load factor and it would permit more effective control of the flat rate water heater load across the metropolitan area.

Another user of sufficient importance to affect the overall position is the Toronto Transit Commission which purchases power for streetcars, trolley buses and the rapid transit routes. Its consumption will be further enlarged when the Bloor-Danforth line comes into operation.

The unbalanced power requirements must not be thought to produce parallel increases in the cost of electricity. A system which predominantly serves domestic customers needs less specialized equipment and personnel and its simpler physical distribution system is comparatively inexpensive to service. It is the efficient utilization of power which will be enhanced through the operation of a balanced system.

4. As a large utility meeting more than half the electric demand in this area, the Toronto Hydro-Electric System employs up-to-date mechanized billing and accounting techniques.

It makes use, also, of central purchasing and stores, its own garage services, etc. The Toronto Hydro has its own data processing equipment and other mechanical aids. It regards as more important, however, the large pool of technical personnel which the size and character of its operations have required it to assemble.

Now we look at the financial side:

1. Within the central area, a recognized objective today is the placing of hydro wires underground. The change is desirable in the interests of the whole greater city. It should be tied in also with a logical policy respecting the installation of new power facilities in the outer portions of the metropolitan area. Only when the cost is spread over the whole area can we ensure balanced consideration of the desired objectives and satisfactory progress towards their realization.
2. The effect of unification cannot be fully and precisely predicted because the Hydro-Electric Power Commission of Ontario will in part determine what will occur. However, a reduction in the total cost of power to an amalgamated hydro system in the present Metro area could result because of the fact that the combined peak load of the group of systems when amalgamated would be lower than the sum of their individual peak loads. In view of the large electric consumption in the greater Toronto area compared to the Province as a whole, the cost reduction may not be as favourable as one would otherwise expect.
3. The rate structure of the Ontario Hydro favours a small local system like that of Swansea because of its location alongside other larger systems which together account for the heavy terminal load of power brought to the area by the Ontario Hydro. The City system is by far the most important in creating this area's favourable demand position.
4. The dominant place of the Toronto system and the relatively close present rate structures among the various local systems means that sharp changes in rates would not be general in the event of hydro unification. We suggest that rate increases of over ten per cent would not be experienced by more than two suburban systems and these would not be among the largest. It would look as if one large suburb might stand to gain substantially.
5. Following amalgamation, a number of developments would occur which would tend in due course to reduce the overall cost of power to customers of hydro. First, the extended scope for central purchasing should produce savings. In this regard, standardization of distribution and substation equipment could result in larger volume purchases of capital equipment and bring unit prices lower. Some existing duplication of special maintenance equipment might also be avoided. The overall load factor might be further improved by more effective control of the flat rate water heater load warranting a better rate on power supply from the H.E.P.C. Finally, one would expect more effective utilization of staff services.
6. If, upon closer examination, it should develop that certain areas would experience sizeable rate increases, the change could be cushioned so that the rates would be brought into line gradually over an extended time.

The Toronto Hydro is geared to handle a large power and commercial load. As a consequence, it has more than its share of specialized staff and a long history of successful service to industry. From its position, a merger of hydro services does not seem unduly formidable.

The supplying of electricity is an operation which parallels other utility undertakings, some of which are not government owned. It would be unthinkable for private utilities to be operating in the Toronto area as the hydro systems are expected to do — as a group of separate, independent distributors each looking after a portion of the greater Toronto territory. The tele-

phone and gas companies are free to extend themselves as the metropolis expands and to set and vary their district boundaries as conditions warrant. Hydro competes with gas but, in this one respect, on an unequal footing.

WHERE MATTERS STAND

In the preceding sections, we have reviewed the situation which prevails with respect to the conduct of various municipal services. In the process, a number of present shortcomings have been noted. Having dealt with a large number of individual services, we now summarize the position in general terms:

1. Divided jurisdiction with its particular emphasis on the splitting up of responsibility for many individual functions, has greatly complicated the conduct of municipal business and has added considerable unnecessary expense.
2. The political boundaries which separate the thirteen municipalities do not make efficient district boundaries for the administration of any municipal service.
3. The range and quality of municipal services differs markedly between one municipality and another.
4. Under the federation plan, the available administrative capabilities represented by specialized personnel, machines and equipment are today not being put to the fullest use.
5. The formation of a single large municipality would make it possible to employ a greater number of specialists, including persons with particular administrative capacities, and to extend use of modern equipment and machinery even further.
6. The public is receiving far less in the services than it could expect if the whole metropolitan area were administered as one.
7. The City of Toronto provides more complete and adequate municipal services to its people than any other local municipality in the area.
8. The City has developed administrative techniques which are suited to its large size and, in some cases, much in advance of those employed by the other municipalities.
9. Throughout the past ten years, co-operative arrangements between the City of Toronto and the Municipality of Metropolitan Toronto have reduced some of the problems of the two-level system but the two administrations have been growing apart.
10. It is apparent that the City is bearing more than its fair share of the cost of services as a consequence of its central location and its established status as the central city. It is an anomalous situation to be placed in and one which does not face the ordinary Ontario municipality.

The uncertainty as to the future responsibility for particular services is a cause for some concern by the City of Toronto if it should continue in the status of an area municipality. The progressive transfer of service responsibilities to the metropolitan level has had the effect of reducing the scale of certain City operations, eliminating certain positions and removing some responsibilities from senior officials.

Fortunately, the effect of such transfers to date has not been seriously upsetting. In illustration, the transfer of licencing functions which had been lodged with the City Treasury Department to Metro took away eleven permanent employees and an operating budget of approximately \$47,000 a year. Adjustment to this loss of responsibility (and incidentally the

removal of some \$330,000 annual revenue) was not difficult, however, because other work was growing: more procedures were being mechanized and more functions centralized. Similarly, the Legal Department work was reduced when unification of policing and licencing took effect and Metro took over the renewal of Island leases. Similarly, the increasing mileage of Metropolitan roads has cut into the number of claims to be settled. But other work has increased: the extra housing units under the Housing Authority of Toronto, the growing requirements of the Parking Authority, the added time spent on property acquisitions and the larger number of by-laws (260 in 1953, 367 in 1963). Nevertheless, such changes are unsettling and do not make for good morale.

The Municipality of Metropolitan Toronto has been discussing unification of a number of further services. This has produced an increasing resistance by suburban municipalities. Fire services provide the most dramatic story.

Fire unification was first considered in 1955. After recommending police unification, however, the Metropolitan Council postponed dealing with fire unification. Notwithstanding the confident prediction that unification was merely being delayed the new special committee which considered the problem through 1957 and 1958 was unable to recommend merger. Instead, it proposed that:

“the Councils of the thirteen area municipalities be requested to advise the Metropolitan Clerk whether they would agree to the establishment of a committee of area fire chiefs that would meet periodically to discuss matters of common interest between municipalities such as, mutual aid, location of fire stations, standardization of equipment and training programmes, standards of protection and the possibility of providing central purchasing facilities, which committee would report, as deemed necessary, to the Councils of the area municipalities and to the Metropolitan Council.”

Reviewing this whole matter some five and one-half years later, we find that the suggested committee of area fire chiefs was never set up and that the Metropolitan Municipality made no alternative arrangements to deal in a specific way with the six matters in question.

Early in the year 1963, steps were once again taken to establish a special committee of the Metropolitan Council on fire unification. The subject was not brought under review as proposed because the members were never named to such a committee. According to the record, the decision was first postponed in light of the appointment of a Royal Commission on Metropolitan Toronto. The undertaking was later voted down on a tie vote, broken by the Metropolitan Chairman. We seem no closer to unification of that particular service today than ten years ago.

The successive attempts to achieve a merger of firefighting services has stiffened local opposition. More happily, these efforts may have prodded suburban municipalities into effecting certain improvements and these will facilitate unification when it comes.

Another sign of the suburbs' clear intention of remaining in existence as separate political entities is found in the number of permanent new municipal buildings which have been constructed since Metro was formed. Of the twelve suburban municipalities, eight have put up new buildings and another, the Township of East York, has put an addition onto its modern municipal headquarters of a few years earlier. The three who have made no changes in the ten year period are all small — the lakeshore municipalities. Unfortunately, the kind of building which has been constructed, while suited to its existing use, is not readily adaptable to other purposes. Even as district municipal buildings some of the money will have been wasted.

There are other signs that the proponents of the two-level system are becoming over-zealous in their aim to ensure its continuance. Last year in an official publication, the Muni-

pality of Metropolitan Toronto reported: "In 1962, the Metropolitan Council took steps leading to the consolidation of all public housing activities under the jurisdiction of the Metropolitan Housing Authority." While such a change was being studied by a joint Metro-City committee, there had been no development to warrant that statement — even with its shade of ambiguity. Today there is not any immediate prospect of merger, except as a part of the total reorganization of government for the metropolitan area.

The only new responsibility which the Metropolitan level is assuming is for the housing registry which the Housing Authority of Toronto has been operating. Even here, the situation is puzzling. Two months after the official date of transfer, there is no evidence that the Metropolitan Municipality is fulfilling the responsibility and the City feels obligated to continue the

housing registry itself and to provide for the item in this year's budget.

Next we question whether two important developments that must be welcome news for City of Toronto taxpayers make sense as permanent arrangements. We refer to the financial responsibilities recently assumed by the Metropolitan Municipality with respect to "shareable" welfare and the "approved" capital cost of schools. In both instances, the area municipalities are left in the position that they have power to spend money within defined limits and subject to specified approvals without retaining any direct responsibility for raising the sums required. The taxing and the spending powers have been divorced, although area municipalities do share the municipal cost eventually as part of their Metropolitan levy. What one is bound to ask is whether, under the new rules, a competition to spend may replace the normal incentive to conserve the taxpayers' money. Why should a small suburb not seek to pay as much welfare and to obtain as fine schools as it can, when twelve other municipalities will pay almost all the municipal cost?

The added responsibilities which Metro assumed on welfare and on school costs have been heralded as federation accomplishments. In fact, both measures were virtually forced upon the Metropolitan Council. They can be described as rearguard actions which forestall full unification of these two services while creating an unstable situation which must not be allowed to continue.

THE SPECIAL PROBLEMS OF FINANCE . . .

When the two-level system was inaugurated, the municipalities concerned were expected to place certain assets in a common pot for the benefit of the whole area, subject to the Metropolitan Municipality taking over the outstanding burden of debt against them. The area municipalities were likewise relieved of all accumulated school debt amounting in total to \$51½ million which was transferred to Metro. As we have indicated, the arrangement is not completely fair to all concerned. It may be said to make sense on the other hand if it meets certain conditions:

1. Those who have enjoyed the right to use the assets and who are still property holders or residents of the area continue to have access to the same assets or to other equivalent assets in their place.
2. The taxes or other charges which are levied in relation to the continuing use of municipal assets are not in their turn patently unfair.
3. The system of government is itself satisfactory and serves the metropolitan area constructively.

The late Mayor Summerville presented "a practical list" of what the City of Toronto had turned over to the Metropolitan Corporation in a speech delivered last April. He included:

“Waterworks: R. C. Harris, Island and John Street Pumping Stations.
Reservoirs and Distribution Mains.

Sewerage System: Ashbridges Bay & North Toronto Disposal Plants and Trunk Mains.

Highways: Paved, Lighted and Traffic Signed Roads.

Transportation: T.T.C. and Gray Coach Lines.

Police Protection: Administrative Headquarters, Stations, Garage and Equipment.

Sundry: Carson Park Lands (Now Don Valley Golf Course)

Jail

Morgue

Riverdale Zoo

Toronto Islands

Traffic Lights.”

The value of all these assets turned over to Metro, as recorded on the City's books, amounted to some \$65 million gross, or \$36½ million net after debt charges. The figure greatly under-estimated the amount involved. Some items were carried on the books at a nominal value; others at their original cost and still others at the value represented by the outstanding debt against them. It would be more accurate to say that Toronto contributed assets running into the hundreds of millions.

We are not overlooking the possibility that the pooling of assets under Metro transfers the responsibility for maintaining those assets and replacing them. What we do want to make clear is that Toronto's entry into Metro has been unstinting and its financial position has not been bettered by the loss of some assets at least — such, for example, as the huge investments in the waterworks and in the Toronto Transportation Commission with its wholly-owned subsidiary the Gray Coach Lines.

A prime purpose of setting up the Municipality of Metropolitan Toronto was to reduce the serious inequalities in the respective financial capacities of the thirteen municipalities in relation to the weight of their expected municipal responsibilities.

Metro created an accurate yardstick by which to measure the burden of taxation in each area municipality in the uniform assessment of property. Other differences do exist which make an inter-municipal comparison somewhat less than precise, however. In relation to the direct expenditures of the area municipalities only, the City of Toronto and the Town of New Toronto offer partial graded exemptions on residential properties of modest value. In the outer suburbs there are also area charges relating to certain services which are not equally available throughout the whole township.

Having noted these limitations, we present a table showing the City of Toronto's tax position compared with other area municipalities. It is confined to the mill rates for public school supporters and traces the history of the relative level of mill rates from 1954 to 1963.

As the table shows, the taxpayers in the City of Toronto have shared with the taxpayers of Scarborough and, on one occasion, Long Branch the dubious distinction of a heavier rate of taxation than in other area municipalities. In the past three years, the City of Toronto has moved to displace Scarborough as the area municipality where the tax load is greatest.

Without the partial graded exemption Toronto's position would not differ greatly. The 1963 mill rates would have been 63.66 residential and 71.74 commercial — only a shade lower in each case than Scarborough. As matters stand, however, the partial exemption does apply and for all Toronto taxpayers except those in receipt of the exemption presents the true picture.

The Town of Leaside has been in an enviable position from the beginning. While the

CITY OF TORONTO'S TAX POSITION COMPARED WITH OTHER AREA MUNICIPALITIES
EXPRESSED IN MILL RATES OF PUBLIC SCHOOL SUPPORTERS

<i>Year</i>	<i>Category</i>	<i>Highest Suburb</i>			<i>City of Toronto</i>			<i>Lowest Suburb</i>			<i>Toronto's Increase Over Lowest Suburb (Leaside)</i>	
		<i>Name</i>	<i>Mill Rate</i>		<i>Rank</i>		<i>Mill Rate</i>	<i>Name</i>	<i>Rate</i>		<i>Lowest Suburb</i>	<i>Leaside</i>
1954	Combined	Scarborough	43.83		2nd	Highest	43.50	Leaside	32.00		35.9%	
1955	Combined	Scarborough	43.00			Highest	44.75	Leaside	29.00		54.3%	
1956	Combined	Long Branch	45.00			Highest	47.25	Leaside	31.53		49.9%	
1957	Residential Commercial	Scarborough	49.30		2nd	Highest	47.95	Leaside	33.33		43.9%	
		Scarborough	53.50		2nd	Highest	52.55	Leaside	37.69		39.4%	
1958	Residential Commercial	Scarborough	50.74		2nd	Highest	50.00	Leaside	35.83		39.5%	
		Scarborough	54.88		2nd	Highest	53.80	Leaside	40.00		34.5%	
1959	Residential Commercial	Scarborough	56.10		2nd	Highest	56.00	Leaside	36.95		51.6%	
		Scarborough	62.01		2nd	Highest	59.70	Leaside	40.97		45.7%	
1960	Residential Commercial	Scarborough	59.73		2nd	Highest	58.10	Leaside	39.37		47.6%	
		Scarborough	65.76		2nd	Highest	61.80	Leaside	43.41		42.4%	
1961	Residential Commercial	Scarborough	59.99		Highest		60.00	Leaside	40.30		48.9%	
		Scarborough	66.25		2nd	Highest	64.20	Leaside	44.77		43.4%	
1962	Residential Commercial	Scarborough	61.85		Highest		61.91	Leaside	42.69		45.0%	
		Scarborough	69.37		2nd	Highest	68.25	Leaside	47.38		44.0%	
1963	Residential Commercial	Scarborough	63.90		Highest		65.20	Leaside	46.43		40.4%	
		Scarborough	71.96		Highest		72.59	Leaside	53.18		36.5%	

Source: Ontario Annual Reports of Municipal Statistics and City Finance Department Records.

spread has narrowed somewhat over the decade. Toronto taxpayers still pay at a rate which is more than one-third higher than that in Leaside. Thus a serious inequality in the weight of taxation has dogged the federation's steps throughout the full ten years of its life.

The position of any municipality under the present set-up is accurately represented if we know both the weight of taxation upon its property owners and the services which property owners and citizens obtain in return. We know that Toronto's level of services is high. Hence the position of Scarborough is undoubtedly worse than that of our municipality. What is readily evident — and significant — is the fact that big differences do exist — much too large to be explained away by mere differences in the desires of particular municipalities as to how much each will spend.

. . . AND PLANNING

The inequalities which remain under Metro in the taxable capacities of the several area municipalities force them into a fierce competition to gain for themselves new properties which have the highest possible tax yield in relation to the service requirements which such properties generate. Thus every area municipality is interested most of all in high-grade industry or top-quality commercial. To the extent that it accepts housing, an area municipality tries to restrict its selection to the better properties. Need we mention the Thistletown issue?

Putting it another way, the area municipalities are under pressure to think of each new urban development as a score which they have racked up in their contest to gain rich assessments. The result is what the Urban Development Institute has dubbed "planning by assessment".

This is the motive force generated within the community. Worse still, it is accepted by those charged with planning responsibilities. The massive document which was published in 1959 as the draft official plan for Metro started out by enunciating a set of principles to guide the official plan towards the achievement of its goals. At the end of a list of worthy objectives, the final item read:

"8. Within the limits set by these goals the need of the individual area municipalities for a favourable assessment balance should be taken into account."

That was how the subject was first introduced. Towards the end of the book in a chapter headed "Financial Resources", the willingness of the planning authorities to compromise was stated more bluntly:

"While the importance of local assessment ratios may be diminished in future through pooling of more of the municipalities' costs, it is not certain that this will come about. Consequently it has had to be assumed in preparing this Official Plan that local assessment ratios will remain a matter of vital concern to each of the 13 area municipalities, and this assumption has necessarily been taken into account in the preparation of the land use plan."

The Metropolitan Planning Board has not yet secured the adoption of its official plan. It may never be able to do so. It is torn between the desire to engage in planning which moulds growth in a constructive way and the necessity, under present conditions, of bowing to the owners of property and to the municipal authorities who together must manage to put land to a use which will be economically attractive, including its municipal tax situation.

The Metropolitan planning staff has devoted a great deal of time to assisting the area municipalities and the thirteen outer municipalities to develop plans of their own. In proceeding with that work first, they have courted the danger that the overall metropolitan plan will be totally submerged, that it will never be more than a compendium of twenty-six local plans for the twenty-six municipalities within its territory.

Has the lack of a metropolitan planning concept been harmful? We suggest that it has; and while we have not quantitative information to prove the point fully we can present some evidence in support of our conviction.

The latest revised draft Official Plan for Metro anticipates that a total of 26,000 acres will be occupied by industry in 1980 compared with 12,000 acres in 1956. For a variety of reasons Metro recommends a further eighty-five to ninety-five per cent reserve, or an additional 21,500 acres. Most of this additional land lies in the Townships of Vaughan and Markham.

Current industrial development outside the planning area will affect the demand for industrial land within, at least in the short run. Bramalea, on the eastern boundary of Brampton, has developed 322 acres already within the past three years and boasts 245 more acres serviced and ready for sale. Within the next ten years, another five hundred acres will be serviced and thereafter a final one thousand acres may be developed ten or twenty years hence. The grand total for Bramalea is 2,067 acres for industry.

According to the Chicago Area Transportation Study (1959) that City has 15,700 acres of industrial land for a population of 5.2 million, providing a ratio of 330 persons per industrial acre. The Metro Toronto plan envisages a 1980 population of 2.8 million giving a ratio of about 108 persons per industrial acre. Even allowing for changing industrial densities, this seems like a most generous estimate. What it means is that literally thousands of acres could be removed from the metropolitan concept of planning without cramping development.

Now another illustration. The Official Plan for the Township of York was submitted to the City of Toronto as an interested party in its draft form. Having reviewed the plan in detail, the City of Toronto Planning Board felt compelled to comment to the Minister of Municipal Affairs in part as follows: "The City must view with some concern a proposal which would in effect permit residential development at very high densities to take place virtually anywhere within the territory of a neighbouring municipality."

A few years ago the passage of the City of Toronto's comprehensive Zoning By-Law introduced new and desirable provisions with respect to land use. Permitted uses of land were designated by neighbourhoods and by even smaller areas. New buildings were required to make adequate provision for the parking of automobiles. Such things as excessive lot coverage were ruled out. There is some reason to believe that the increased restrictions in Toronto which changed the competitive conditions for prospective builders drove apartment developments to the suburbs which would otherwise have taken place within the City proper. While, from the housing statistics we cannot establish a cause and effect relationship, the figures are not inconsistent with the thesis, for which other support exists. We are not for one moment suggesting that Toronto should let down the bars on development. Our concern rather is that uniform good standards should apply everywhere and that planning should cease to be a tug-of-war process.

On a true regional basis, planning can stabilize desirable patterns of land use, improve communications, extend amenities and in other ways enrich the urban environment.

CHAPTER VI

GOVERNMENTAL REQUIREMENTS FOR METROPOLITAN AREAS

A unique requirement of government at the local level is to accomplish periodic adjustment of the units of government in response to the growth of urban areas. In more recent years the desired objective has, for a number of reasons, become increasingly difficult to achieve: the extremely rapid rate of growth, far outstripping the general population increase, the number of large-scale development projects and the remarkable ease of urban dispersal have each contributed to a growing problem.

ACTION ACROSS ONTARIO

Since World War II, the Province of Ontario has been particularly successful in facing up to the changes in local government required by urban growth. Among its thirty-one cities other than Toronto, all but six have secured substantial boundary extensions. While the published figures reveal some gaps and discrepancies the general position is highly significant as shown in Table II which follows.

The timing of urban growth and of annexation often do not coincide. It is not readily possible, therefore, to tabulate the precise population consequences of the enlargements which have been made of Ontario cities, the general position is clear. Table III reveals the full extent of the growth of Ontario cities when their boundaries have been extended to enclose most post-war urban expansion and to pick up some of the overflow from prior years. We note also that in recent years a single annexation has been responsible for greatly increasing the populations of cities as these few examples will show: in the Niagara Peninsula, St. Catharines, Welland and Niagara Falls were each more than doubled; London and Sudbury each added more than sixty per cent and Sault Ste. Marie will add over fifty per cent.

In the majority of cases the change has been brought about through one large-scale annexation or amalgamation. Such has been the case in London, St. Catharines, Sudbury, Brantford, Niagara Falls and, effective January 1, 1965, Sault Ste. Marie. In other places of which Hamilton and Kitchener are the most notable, the city boundary has been extended by several smaller but substantial annexations.

In effecting boundary changes, the role of the Ontario Municipal Board has been most important. While, over the years, a number of changes have been made in the governing legislation, the onus has been left with the Board to hear evidence from contending municipalities and to bring down orders whose effect has been to eliminate or greatly reduce in population if not in size the suburban municipalities ringing the central cities without adding any new government.

TABLE II
POST WAR ENLARGEMENT OF ONTARIO CITIES OTHER THAN TORONTO

<i>Municipality</i>	<i>Total Acreage</i>			<i>Taxable Acreage</i>		
	<i>1945</i>	<i>1962</i>	<i>Percentage Increase %</i>	<i>1945</i>	<i>1962</i>	<i>Percentage Increase %</i>
Ottawa	6,009	30,482	407	2,751	12,406	358
Hamilton	10,316	31,725	207	5,943	20,728	249
London	6,873	42,550	519	5,395	38,814	619
Windsor	8,251	9,519	15	(1)	(1)	—
St. Catharines	2,400	17,000	608	2,241	13,000(2)	471
Kitchener	3,477	11,410	228	3,058	8,558	180
Oshawa	3,660	14,000	282	2,586	10,488	306
Brantford	3,292	11,335	244	1,671	8,503	409
Sarnia	1,479	11,672	689	1,330	9,083	583
Kingston	2,965	15,691	429	2,033	5,350	163
Peterborough	3,568	10,326	189	2,961	(1)	—
Cornwall	825	19,200	2,227	797	15,406	1,959
Guelph	3,014	5,604	86	2,394	3,590	50
Welland	1,100	8,358	660	743	5,992	706
Belleville	1,800	7,655	325	1,520(3)	4,992	228
Chatham	1,900	5,350	182	1,650	4,346	163
Galt	1,922	8,298	332	1,066	7,099	566
St. Thomas	1,898	4,540	139	1,898(3)	3,566	88
Waterloo	2,921	5,293	81	2,848	4,095	44
Barrie	2,150	4,781	122	2,000	3,412	71
Niagara Falls	1,934	24,083(8)	1,145	1,278	17,394(8)	1,261
Stratford	2,835	3,263	15	2,067	2,304	12
Woodstock	1,525	3,456	127	1,485	2,556	72
Sudbury	2,713	32,711	1,106	1,528	24,161	1,481
Fort William	9,355	23,199	149	8,634	6,479	(-25)(6)
Port Arthur	15,632	15,632	no change	5,438	6,689(7)	23(7)
Sault Ste. Marie	6,188	60,016(4)	870	5,275	49,316(4)	835
North Bay	2,100	2,260	8	911	1,281	41
Brockville	1,374	6,024	338	1,239	4,703	280
Owen Sound	2,909	3,018	4	2,554	2,014	(-21)
Eastview	660(5)	660	no change	440(5)	435	(- 1)

(1) No figure given in Municipal Directory.

(2) Presumably rough estimate only from 1962 Municipal Directory. No figure given in 1963 Directory.

(3) 1947.

(4) Amalgamation effective January 1, 1965.

(5) Total acreage is for the year 1959; taxable acreage for year 1954.

(6) The comparison is not accurate. The actual position is that Fort William obtained some 13,000 additional acres by a quieting order from the Township of Neebing of which perhaps one-fifth is taxable.

(7) No actual change, merely an improved estimate.

(8) Amalgamation effective January 1, 1963.

Source: Ontario Annual Report of Municipal Statistics, 1945 and for later years,
Municipal Directories.

T A B L E III
POPULATION OF ONTARIO CITIES OTHER THAN TORONTO

<i>Municipality</i>	<i>1945</i>	<i>1962</i>	<i>Percentage Increase %</i>
Ottawa	163,690	268,374	64
Hamilton	175,039	266,891	53
London	79,277	165,709	109
Windsor	117,432	113,550	(-3)
St. Catharines	34,644	83,706	142
Kitchener	36,619	77,190	111
Oshawa	26,454	63,022	138
Brantford	34,409	54,372	58
Sarnia	20,567	50,551	146
Kingston	32,697	48,842	49
Peterborough	32,242	47,101	46
Cornwall	15,160	43,200	185
Guelph	23,079	39,790	72
Welland	14,781	35,645	141
Belleville	15,967	30,332	90
Chatham	18,035	29,681	65
Galt	14,598	27,679	90
St. Thomas	18,342	22,399	22
Waterloo	9,567	22,244	133
Barrie	10,583	22,048	108
Niagara Falls	20,234	53,288(1)	173
Stratford	17,413	20,857	20
Woodstock	13,021	20,585	58
Sudbury	36,299	80,523	122
Fort William	30,590	45,698	49
Port Arthur	25,373	44,419	75
Sault Ste. Marie	28,619	66,531(2)	132
North Bay	15,968	23,186	45
Brockville	11,077	17,949	62
Owen Sound	14,014	17,815	27
Eastview	9,049	25,105	177
Total	1,114,839	1,928,282	73

(1) Includes annexation effective January 1, 1963.

(2) Includes annexation ordered last year to take effect January 1, 1965.

Source: Ontario Annual Reports of Municipal Statistics.

The most difficult problems have been presented by the largest metropolitan areas. Here briefly is the story.

1. Consideration of a large-scale annexation application by the City of London extended over many months, led to new provincial legislation and lengthy inquiries before an order was eventually brought down.
2. Although more than a year has passed since the close of the Board's hearing on an application by the City of Windsor to annex extensive population and territories, only an interim order has been issued and it has not yet been acted upon.
3. The last sizeable addition to the City of Ottawa was effective fourteen years ago. At that time, the abutting urban municipalities of Rockcliffe Park and Eastview were allowed to remain separate while, effective January 1, 1963, Eastview was granted city status, thereby reinforcing its independent position. Today, with the further urban growth that has occurred, urban developments adjacent to Ottawa on the Ontario side of the Ottawa River exceed twenty-five per cent of the City's own population. Just recently, the Department of Municipal Affairs has encouraged the launching of a major study of inter-municipal relationships and inter-municipal problems.
4. The Hamilton situation is harder to define because intermeshing urban developments commencing at Stoney Creek extend eastward to the Toronto metropolitan area and beyond. At present the immediate overflow is less than in Ottawa's case; yet plainly a sizeable spill-over problem exists, located in areas such as Ancaster Township.

The form which Toronto's own metropolitan adjustment took in 1953 was not unexpected. Nevertheless, the creation of a two-level system of government even though extending over a wide area represented a less ambitious change for Toronto's size than a dozen or more of the block additions of territory to other smaller cities and towns in this Province commencing with such notable early annexations as Ottawa, Sarnia and Oshawa and ending with the mammoth annexation ordered for Sault Ste. Marie which, by comparison, has gone almost unnoticed.

Our purpose is to make two points:

1. Enlargement of Ontario cities through annexation or amalgamation has become accepted practice since World War II.
2. The greater complexity, rate and extent of urban developments on the outskirts of the larger metropolitan communities calls for more frequent and more vigorous remedial action than in smaller urban areas. In consequence, while much has been done to improve the governmental situation in the areas of greater Toronto, Ottawa, Hamilton and Windsor each metropolis displays sizeable unresolved problems at the present time.

DOUBTS AS TO OBJECTIVE

In 1953, when the Municipality of Metropolitan Toronto was being set up, some observers felt, as the City of Toronto then did, that amalgamation was the ultimate answer and that it was merely a question as to how quickly the Province could be persuaded to move to accomplish that aim. We recognize, on the other hand, that a number of informed and presumably disinterested persons, both at that time and since, have been not at all sure that the metropolitan federation should be a mere stepping-stone to a full-fledged merger. Some of the reasoning back of that more cautious attitude has been as follows:

1. Doubts have been expressed as to the desirability of eliminating the present municipalities since an urgent and compelling case cannot be made for immediate unification of every one of the existing municipal services.
2. It has been suggested that big government loses the economies of scale after a certain size is reached because the services concerned become too large for efficient supervision.
3. It is feared that big government cannot inspire the interest and loyalty of the mass of local citizens, that arrangements cannot be devised which will keep policy decisions responsive to the public's wishes and that the complaints of individual citizens will be swallowed in the morass of bigness and bureaucracy.
4. Once the above arguments have been accepted, it is easy to add a further ingredient, a nostalgia for the familiarity of established place names, boundary lines and municipal practices. Change is viewed as disturbing and disruptive.
5. Finally, even if the Toronto of the mid-1960's is not too big to operate as a single city, how much larger can it become before consolidation makes it top-heavy? If a two-level system will be required eventually by our exploding metropolis, why not create a workable two-level system to which new municipal units can be added as growth proceeds outwards.

THE CITY'S POSITION ON THESE ISSUES

All these arguments are stated in the City of Toronto's brief because we recognize that they have a certain substance and, for some, a considerable attraction. At the same time, it is important to bring out counter-arguments which in the City of Toronto's view have much the stronger validity. The five issues will be dealt with in turn.

1. **DO WE NEED UNIFICATION OF ALL SERVICES?** — In Saskatchewan, efforts have been made for a considerable number of years to establish larger rural municipalities following a course similar to the development of larger school divisions, municipal districts and counties in the neighbouring Province of Alberta. The proposal has encountered persistent opposition and an acceptable form of change has not yet been found.

But there has been one exception. By special charter, Uranium City was given jurisdiction over some sixteen hundred square miles of territory for municipal, school and hospital purposes, thus obtaining all the accepted elements (and more) of the Alberta county system.

Speaking of that accomplishment, the Mayor of Uranium City was quoted in the November, 1963, issue of *Western Municipal News* as saying:

"... we were able to set up a new form of government without tearing anything down. We did not have to dissolve any villages or rural municipalities or any other troublesome little organizations in order to organize this government.

"The big holdup to the counties in Saskatchewan is disorganizing what you have."

The City of Toronto's contention is this: even if there is not an indisputable case for prompt unification of every remaining local service throughout the Toronto metropolitan area, more than a sufficient proportion of services would benefit from unification to warrant the removal of the outdated structure which does not fit and its replacement by a new structure which is in fact tailored to present-day requirements. Starting from that assumption, the question must then be turned around: What services ought to be left local in order to function more satisfactorily, or for any other reason? Looked at in that way, the advantage

of retaining any particular service under separate and competing local jurisdictions becomes far less evident.

2. DOES BIG GOVERNMENT GROW MORE EXPENSIVE? — It is quite unreasonable to suggest that local government is in danger of becoming unmanageable in any respect if it grows beyond a certain size. We accept without question the much greater size of provincial, national and international government establishments. When a huge population is concentrated in a single urban area, the requirement is to create a local government with a form of organization and a calibre of staff which can cope successfully with its bigness.

The recent book on "Urban Government" edited by Professor Banfield of Harvard includes this opinion on the cost of big government by Dr. Luther Gulick, Chairman of the Institute of Public Administration (U.S.A.):

"When quality and costs are compared, it is clear that costs of scale are partly neutralized by the economies of scale so that there appear to be no economic 'laws' which will automatically limit the scale of metropolitan operations."

With a host of accomplishments to his credit, Dr. Gulick, it will be remembered, was entrusted recently with planning and implementing the re-organization of the City of New York's administration.

Two further points should be made respecting the cost of government in a large metropolis:

1. Big cities require expensive government because of their size, whether they are organized as one unit or fourteen. An elevated expressway, for example, is a costly road to build whether one large municipality undertakes it or several smaller ones. The main difference is that the several small municipalities may never succeed in getting it built.
2. The cost per person of providing adequate metropolitan government is expected to be above the urban municipal average because of the intensive uses of land, both public and private, and the need to make more extensive public services available to people who live in the impersonal setting of the great metropolis. Matching this, however, the total taxable capacity of a metropolitan area will also be well above average in per capita terms because of the premium worth of land. The further requirement then for a satisfactory municipal budget is effective mobilization of the tax resources of such an area; and the best means of accomplishing that objective, we maintain, is to consolidate the taxing power in the hands of a single municipality.

Finally, a statement by the late president of the United States is relevant. Speaking at the Yale commencement in June of 1962, President Kennedy said:

"The truth about big government is the truth about any great activity; it is complex. Certainly it is true that size brings dangers, but it is also true that size can also bring benefits."

What we suggest, therefore, is that the choice between a unitary and a federated form of metropolitan government is a real choice. It is not reasonable to suppose that the unitary metropolitan government is unworkable or its cost prohibitive. In actual fact, the bigness comes with metropolitan growth not form of government and the federated form of metropolitan government which we now have involves obviously greater complexities of municipal organization and administration than the single big city.

3. CAN BIG GOVERNMENT BE SUFFICIENTLY RESPONSIVE? — "Now, if, while this expansion of the real communities goes on, you keep to the old boundary lines, you will find an increas-

ing proportion of your population straddling those lines. You will find that many people who once slept and worked and reared their children and worshipped and bought all in one area, are now, as it were, *delocalized*; they have overflowed their containing locality, and they live in one area, they work in another, and they go to shop in a third. And the only way in which you can localize them again is to expand your areas to their new scale."

This statement from a paper on administrative areas, written more than sixty years ago by the late H. G. Wells and reprinted in Maass's "Area and Power", describes a problem which can have a most disturbing effect upon citizen interest and participation in local government within a great metropolitan area as Mr. Wells himself concluded. He put it like this:

"Now what are the practical consequences of this large and increasing non-local element in your old local government areas? . . . Local politics remain therefore more and more in the hands of the dwindling section of people whose interests really are circumscribed by the locality."

Faced with this kind of problem, it has been common practice for people to assume that difficulties of the kind to which Wells drew attention are beyond solving — that the evil we know we must live with. That is one reason why Toronto's ten-year metropolitan development has evoked such interest. Yet the system of representation in Metropolitan Toronto retains the wrong primary focus — on the little areas which no longer have legitimate meaning except as neighbourhood and electoral wards.

As we see it, the ingredient which is most essential to produce local government which is responsive is wide public interest in civic affairs. And to reach this position two things are needed:

1. to establish a broad enough sphere of local government that it will embrace the several interests of its wide-ranging and most active citizens;
2. to devise a form of political organization which will do most to facilitate enlightened contacts between the people of the metropolis and their representatives.

Later in this brief, we shall consider the precise arrangement which would seem to us to have the best prospect of fulfilling these expectations. Meanwhile, the point we advance is this: it would be quite wrong to assume that the preservation of small area municipalities, with complete independence in certain spheres, offers a better prospect of responsive and responsible government than the planned development of a larger municipal unit or units.

Finally, if the voting turnout is a valid measure of citizen interest, the City of Toronto's record of recent years should be noted, for it has been consistently ahead of the suburban average.

Figures extracted from the voting analysis prepared by the Bureau of Municipal Research for each year in which a city-suburban comparison was undertaken show the position as follows:

COMPARISON OF VOTING PERFORMANCE

(For each comparison, the calculation is based upon the most recent year in which the chief municipal office was contested in each municipality concerned.)

<i>Year of Analysis</i>	<i>Actual Electoral Turnout as Per Cent of Possible</i>	
	<i>City of Toronto</i> %	<i>Suburban Average</i> %
1949	37.1	30.0
1950	52.8	27.4
1951	53.1	32.1
1952	49.5	30.1
1953	40.4	31.5
1954	33.6	29.9
1955	40.5	30.2
1956	34.6	32.2
1957	31.8	31.0
1959	34.8	27.3

4. **SHALL WE KEEP THE FAMILIAR NAMES, BOUNDARY LINES AND MUNICIPAL PRACTICES? —** The circumstances under which it is possible, let alone desirable, to retain existing municipal boundaries in the face of urban growth are far from common. Ontario's history provides hundreds of examples of urban communities being formed and enlarged from time to time. The other side to this process is the consequent partitioning or absorption of other neighbouring municipalities. In recent years well-known places like the Townships of Barton, Grantham, Korah, McKim, Nelson, Stamford, Tarentorus and Trafalgar have disappeared. The Village of Bronte and the Towns of Merritton and Port Dalhousie have suffered a similar fate. A number of other places remain denuded of their urban population — townships like Cornwall, Crowland, London and Westminster.

When a former self-contained town or village is swept up in a metropolitan expansion, part of its character is lost whether or not it is stripped of its independent municipal status; and part of it remains even if its corporate entity has disappeared. Toronto people still talk of Yorkville, which was annexed in 1883, of Riverdale, which was absorbed a year later, of Rosedale, of the Annex, Sunnyside and Parkdale each of which became part of the City of Toronto before 1890. The history of Toronto annexations contains many another familiar name including Deer Park, Wychwood, West Toronto, Balmy Beach, Dovercourt, North Toronto and Moore Park. The two latest were added to the City in 1912 !

Perhaps more could be done to preserve the sense of community which has existed in such smaller places. But Toronto's record on this score is, we submit, comparatively good.

A further point about loss of old names and associations is that new names and new associations take their place and create their own focus of public interest. Indeed, the pull in this direction is sufficiently strong that the de facto situation is recognized even if it is never formalized.

To millions of people the name London has meant something quite different from either the County of London or the square mile of offices, financial institutions and historic

buildings, housing a resident population of under 5,000 souls, which is in reality "the City". As a corporate entity, the real London is just in the process of being born.

Similarly, many people who have never identified the Township of Teck as such know its urban heart by the unofficial name, Kirkland Lake; and they probably think of Kirkland Lake as a city despite the absence of any such corporate status.

Our contention is that necessary or desirable changes ought not to be foregone merely for reasons of sentiment. At the same time, change can build upon the past and action can be taken to husband those parts of our history which continue to have meaning and value for us. Amalgamation need not result in the disappearance from the Toronto scene of such respected names as Weston, Swansea, Long Branch and Leaside.

5. WILL TORONTO BE TOO BIG SOME DAY? — If there is any substance to the argument that cities can grow too large for a unitary government to be workable, there is little evidence that Toronto has reached such a stage. The Canadian Almanac for 1963 listed forty-one cities, single municipal entities, which by the latest available estimates were larger in population than the City of Toronto *and* its twelve suburbs, that is than the Municipality of Metropolitan Toronto. The number included five cities in the United States and one in Mexico, nine in Europe, five in South America, two in Australia and the remaining twenty in Asia. Are cities like Detroit or Philadelphia, like Sydney or Melbourne, like Paris, Rome or West Berlin too big to be governed as one? All are larger and several substantially bigger than Metropolitan Toronto. The City of Paris, which is the biggest of these, contains more than twice our metropolitan population.

As the great metropolitan areas of the world have expanded, the boundaries of their central cities inevitably have lagged behind the overall growth. In this respect, however, little distinction can be drawn between those metropolitan areas which have a single city at the core and others centred upon a two-level municipal structure. The County of London, which is in process of being displaced, takes in only one-third of the population of Metropolitan London. Its outer boundary is virtually identical with (and actually a little more confined than) the boundary which was adopted in 1847 for the Metropolitan Sanitary Commission, following a line which had in turn been marked out some years earlier for vital statistics purposes. The County itself has held sway for over seventy-five years. The position of New York City, with its two-level administrative arrangement has been similar. The area of the five city boroughs which in 1989 contained by far the greater part of the New York metropolis has been considerably out-stripped by the overflow population within the recognized metropolitan complex. For more than sixty-five years neither New York nor London added a single borough to its metropolitan structure.

In short, the suggestion that a two-tier arrangement facilitates metropolitan enlargement has so far been contradicted by every practical experience with such a plan, the Toronto area included.

Often there is talk about limiting the further growth of the bigger cities and, on occasion, efforts have been made to do so. But we must be realistic as to what can be accomplished. In the day of the automobile and the short work week, a green belt buffer will not separate the city from its peripheral area into two self-contained units. What does it mean? Today a green belt which is a full ten miles wide imposes only ten minutes travel time upon commuters living beyond it and working in the central city. The experience of Ottawa in outgrowing its green belt illustrates very forcefully the difficulty of attempting to curb metropolitan areas in the face of economic growth impetus. Where an area has a strong economic attraction, the task — under our democratic system — is quite impossible.

There is, on the other hand, a control point to growth: that is, the territorial limits within which man is prepared to congregate for a metropolitan existence. The limits in terms of population and of area differ somewhat according to such considerations as the travel routes, means of travel open to the working population, the length of the working day and the economic circumstances of the mass of the people. But the limit is real nonetheless.

Writing in a volume entitled "The Future Metropolis", published in 1961, Aaron Fleisher expressed the opinion that "Toward the middle of the next fifty-year period the city of twenty-five million can exist." On the other hand, we can even now extend cities like row-housing into urban belts of interminable length but limited width. According to Connerly and Leach "Federal Government and Metropolitan Areas", New York is part of a "metropolitan cluster that runs from Springfield, Massachusetts . . . to Norfolk, Virginia, a distance of 600 miles with a width ranging from 10 to 60 miles". The band of urban development of which Toronto is part is dwarfed by the comparison.

The more meaningful prediction with respect to the Toronto area is this: growth within any reasonable block of time for which the governmental requirements might be planned will still leave Toronto very much smaller than the present population of such world centres as Paris or Chicago or Buenos Aires. Or, again, Metropolitan Toronto cannot hope, within the predictable future, to reach or even approach the population level now contained within the boundaries of New York City. In other words, insofar as population is concerned, Toronto can choose between a single city and a more complicated form of metropolitan government and know that what is proposed can be made to work now and in the future.

As to the maximum territory that can reasonably be contained within a single city, the position is similar. Here also the experience of our southern neighbour is especially pertinent. At latest report, there were six U.S. cities containing considerably more area than the Municipality of Metropolitan Toronto's 241 square miles, as follows:

<i>City</i>	<i>Area in Square Miles</i>	<i>Latest Estimated Population</i>
Oklahoma City	620.2	355,000
Los Angeles	454.8	2,479,000
Houston	359.0	1,038,000
New York City	315.1	7,782,000
San Diego	290.4	573,000
Dallas	288.5	740,000

Source: The Municipal Year Book, 1961-63 Editions.

Oklahoma City through a series of annexations has brought about a seven-fold expansion of its area since 1959, making it extraordinarily large for its population. But the position of New York City is more relevant to the Toronto situation. Its mammoth size is entirely accounted for by the county consolidation which took place in 1898 and added approximately 255 square miles to the City's total area. What New York could manage before the turn of the century cannot be ruled out as impractical for Toronto today, especially with the preparation which a decade of metropolitan government has afforded.

POINTS OF PRINCIPLE

The number of metropolitan areas in the United States that are suffering from the metropolitan problem and the extent of their difficulties has encouraged attention to be focussed upon

the basic principles which ought to be observed in devising remedial measures. As background for this brief, particular attention has been given to this aspect of the subject. It is hoped that the points which follow may be of some assistance to the Commissioner. Here is the way we look at the matter.

1. **ENCLOSURE OF THE COMMUNITY** — A metropolitan area is a definable local community which can and should be recognized for local government purposes.

One simple definition of such an area would be the territory within which there is a dominant daily movement of people between home and work and a regular traffic of these same people to shops, offices, churches, cultural centres and places of entertainment.

Where a metropolitan area forms part of a larger agglomeration of interlocking urban areas, as in Toronto's case, its boundaries become harder to define. Yet even in such a situation practical cut-off points can, it is believed, be found. To cope with these more complex conditions, in addition to the observation of the regularly recurring movement of people, such further evidence as established land use patterns, population densities and data on the form and rate of urban growth will assist in defining an appropriate boundary for each metropolitan area within the larger megalopolis.

The determination of a suitable outer boundary for a metropolitan community should include some provision for continuing urban expansion. This may take one of two forms, or some combination of them, as follows:

1. the inclusion of a sufficient amount of undeveloped land to provide for the anticipated growth over a considerable span of years;
2. an *assured* method, if necessary, of extending the outer boundary at more frequent intervals to enclose new urban areas as growth proceeds or as land is committed to early urbanization.

The role of the Province in the sphere of regional government will also have an influence upon what is required.

In predicting the growth requirements, not only is it necessary to estimate the rate of population increase; the location and density of new growth must also be anticipated. For this purpose the characteristics of the metropolitan area and its environs must, we submit, be studied. Beyond individual personal preferences, the path which growth will follow is related to such things as the source or sources of volume water supply and sewage disposal, the outlines of natural drainage areas, the paths followed by rail lines and arterial roads, the location of airports, and so on. Consideration must also be given to the territorial limits of various local government services and the potential for expanding the present service limits. The inhibiting or stimulating effect of existing political boundaries is another point to be taken into account. Among these would be included special purpose jurisdictions, that is, municipal service areas and community planning areas. Finally, the nature of the economy, the wealth of the community and the living habits of its people require study in order to provide a sound basis for forecasting metropolitan growth.

2. **AREA OF SERVICE COVERAGE** — Customarily in analyzing the governmental requirements of a metropolitan area great stress is placed upon an examination of the various local government services with a view to determining whether or not the areas over which they are organized are in fact satisfactory and, if not, the factors which should determine the advisable enlargement or other alteration of the service boundaries.

This emphasis upon the appropriate territorial scope of local government, service by service, is probably not unrelated to the fact that as the old boundary lines within metro-

politan areas have created impossible strait-jackets for the performance of local government, the barriers have frequently been broken by creating special purpose bodies for particular services. Commonly bodies operating within the same metropolitan area have had differing boundaries one from another, especially in the U.S.A. This development which initially represented a degree of progress in coping with the metropolitan problem has become in practice a foe of representative government. Quoting again from the article by Dr. Luther Gulick:

“... the ad hoc (i.e. the service by service) approach makes self-government by the people of the metropolitan area as concerns their own problems impossible.”

Thus a prime requirement of service coverage is to organize the entire group of local government services within a manageably small number of jurisdictions so that the people can readily understand the arrangement and take up their proper responsibilities for local government services.

Under no circumstances should divided jurisdiction be continued merely to avoid facing up to service deficiencies which have no remaining justification in relation to the existing use of land.

The Ontario Municipal Board in its 1953 report recognized the marked differences in the level of services between one municipality and another. It felt that some differences would have to remain in existence in order to avoid a substantial immediate increase in taxation. But the argument is surely of limited duration.

The central city in a metropolitan area is frequently faced with the necessity of improving services in the areas it annexes in order to bring them to an acceptable metropolitan standard. In illustration, the 1962 Municipal Year Book published by the International City Managers' Association provided information on annexations of one-quarter square mile of territory or more by 174 American municipalities. In all but twenty-four of the cities where these annexations took place, there was at the time some lack of basic services. Among the forty-five municipalities of fifty thousand population and over, some degree of service deficiency was reported in all but five. Twenty-three of these larger municipalities listed six or more out of eight specified basic services as non-existent.

Resistance to metropolitan merger must not become the means of withholding necessary basic services from many of our people.

From the point of view of efficient servicing, a distinction must be drawn between those factors which determine

- a) the most desirable pattern of service extensions to provide for urban growth, and
- b) the most suitable form of service organization throughout urban areas which are already settled and supplied with services.

On the fringes of a metropolitan area, such factors as topography and access to main roads and rail lines, large bodies of water and existing serviced areas are quite important. Within a settled urban area, a rational coverage of the community concerned becomes the dominant consideration even if this means, for example, installing booster pumping stations to integrate a community water or sewage system.

We expect a metropolitan area to include a large inner area throughout which a full complement of urban services has existed for a long time. And, if the boundaries of a metropolitan area are defined in a reasonable manner, it will also embrace lightly populated outer

areas in which growth is going forward and where municipal service extensions are taking place.

There is much to be gained by entrusting the provision of municipal services in the built-up central area and in the growing fringe territories to a common municipal authority. In tackling the responsibility for service extensions, the steady and perhaps somewhat declining service load in the inner area provides a base on which the expanding requirements of the metropolitan fringes can readily be built. What is more the municipal authorities will gain stimulation from undertaking the development programmes in the outer areas which they can put to use in improving the management of services in the settled inner areas.

In the growth of a metropolitan area, services are likely to have developed and expanded from a number of different base points. The structure needs to be examined periodically in order to ensure that in relation to the existing size and characteristics of the urban community and the latest methods of administration, the pattern of service provision is the most suitable.

With this object, among others, in mind, the Library Trustees Council of Toronto and District in 1960 obtained a report on library services by Dr. Ralph Shaw. In the section on "Local Government" he expressed the opinion that throughout the Toronto metropolitan area the quality of the library services furnished from main libraries was in most instances higher than from branch libraries whether they were in the City or in any suburban system.

If Dr. Shaw's appraisal was accurate, it pointed up a weakness in administrative structuring of the larger library systems which needed to be squarely faced and, if possible, overcome — quite aside from the issue of metropolitan library unification.

Our contention is that a principal requirement for effective servicing of a metropolitan area is to organize the services over sufficiently wide areas to be able to take full advantage of specialization. The greater opportunity for specialization afforded by increased volume conveys a double benefit:

- 1) It adds to the suitability of services which can be made available to the user and sometimes to the ease with which he may obtain them.
- 2) Where machine operations enter into the picture, it also permits a reduction in cost in relation to what the service is actually worth.

The second benefit may not always be recognized, however, because the mass-produced services of a strong municipal organization tend to be services of greater quality than those supplied through a smaller local authority.

To underline the above point we offer some examples. It is commonly recognized that a certain minimum population is needed to enable a health unit with its full-time specialized professional personnel, like that serving East York and Leaside, to operate efficiently and at reasonable cost. Again, because the peak hours are not the same for domestic, commercial and industrial users, an electric system with this greater diversity of service will experience less variation in its demand throughout the day and thus will be able to make more economical use of its plant and equipment. Finally, it is quite plain that only a large municipality can put expensive firefighting equipment, road construction machinery and so forth to sufficient use to justify its ownership.

The popular idea as to the relationship between size of service and choice of service by the public is frequently unrealistic. The common contention is that small units can give the particular kind of service which their constituents demand. But in actual fact, the ability to provide choices is directly related to volume. A small municipality which runs its own

school system can develop and offer a personally tailored form and quality of school operations but of one kind only. Once the selection has been made its people become committed to a school system with very little choice. By contrast, a larger school organization can create all kinds of differences in approach and continue to make these available at one and the same time to the children served by its system. It can do so by drawing candidates for the specialized schooling from a very considerable territory. Similarly, if a public demand is found to exist for garbage collection services which differ at the choice of the user, the large municipality is really in the better position to direct these to the people who want each type than a small municipality. We feel compelled to add, however, that such an arrangement would seem somewhat impractical.

There is nothing wrong with local pride in civic services by the people in small municipalities or large. The attitudes thus engendered, should not we suggest be confused with an objective consideration of the potential benefits of specialization.

Today the advantage of the large community over the small is growing steadily wider. Perhaps one example will suffice. A municipality with under five thousand population probably cannot afford to own any office machines beyond typewriters and adding machines. At a somewhat greater size, calculating, accounting and addressing equipment can be purchased. It takes a much larger municipality to justify the use of punched card installations while only the very largest can afford to extend their system to include electronic data processing equipment. Where the size exists which brings such opportunities, it is surely foolish to turn one's back on the possibilities by clinging to a cluster of smaller units.

If the organization of public services on a large scale opens up opportunities, the greater size demands the right pattern of administrative organization to maintain its effectiveness. It is most important, we maintain, for a big municipality to employ an adequate number of service outlets for all services which must reach the mass of its citizens. It becomes equally essential to keep certain stores and to base a proportion of maintenance men in district locations. Even in comparatively small municipalities, there is a difference between the size of a territory over which a particular service can be furnished from one focal point and the total area over which it should operate under one person's direction. A system of districting can also be the means of making allowance for some variation in service requirements and some differences in public demand between one part of a municipality and another.

The amount of choice which is ordinarily allowed in the provision of public services, over either a wide or narrow area, is partly determined by the method of paying for them. Where local improvement levies and similar service charges exist, people can obtain the benefits at their option and pay accordingly. In this respect, the policies of the City of Toronto differ considerably from those of a number of suburbs. A notable example is in the amount of free recreation which is available through the Toronto Parks and Recreation Department compared with most suburbs. Thus all residents are free to skate on City rinks, to swim, play tennis, etc., and the services are conceived and operated accordingly.

From the standpoint of efficient and economical servicing, it may be possible to organize some services in independent units of say 100,000 people and thereby to obtain substantially all the benefits of specialization. Local sidewalk construction, tree trimming and boulevard maintenance might be cases in point. Nevertheless, if a metropolitan area is divided for such purposes into smaller municipalities the resulting position should be recognized for what it is: the treatment of the metropolis as a group of communities each of which for the exercise of these powers becomes a law unto itself. In other words, while such an arrange-

ment may be quite practical and relatively efficient from a service viewpoint, one must not overlook other advantages or disadvantages. Moreover, where such a course is planned, the political boundaries which have grown up historically may not constitute the most satisfactory service divisions.

Certain services for which municipalities remain primarily responsible are expected to deal with the combined interests of a metropolitan community and its surrounding area. In illustration, Metropolitan Toronto has a recognized relationship with an outer planning area and with an even larger hinterland for conservation purposes. That its position in this respect is not unique can be illustrated by reference to the planning area for Sydney, Australia. It includes a full 1,630 square miles designated specifically for planning purposes. Where such real responsibilities have been placed upon local government, they can only be fulfilled appropriately by creating an authority with the desired territorial scope and with some channel of responsibility to the people within that territory.

3. **THE TAX POSITION** — The system of taxation which is in effect in Ontario inflates the burden of taxes to be carried by industrial and commercial taxpayers compared with that to be borne by residential and farm taxpayers. The weighting is the result of the application of two tax policies, one sixty years old and the other quite recent:
 - 1) Municipalities are required to levy a supplementary business tax at varying designated percentages of the weight of realty taxation on the properties of such businesses.
 - 2) Two forms of provincial grant payments are channelled to the exclusive benefit of residential and farm properties, namely, the unconditional per capita grants and those education grants known as School Tax Assistance Grants, thereby having the effect of increasing the relative tax load falling upon the industrial and commercial properties.

The comparative advantage to a growing municipality of obtaining new industrial or commercial properties rather than residential properties is accounted for also by the fact that, speaking generally, residential properties require more services from the municipality in relation to their value than do the industrial or commercial properties.

Because of the total differential which the above three factors create, it is said commonly that municipalities need to ensure for themselves a proper balance of "commercial" (including industrial) to "residential" (including farms) and this is reckoned, quite crudely, to be a forty-sixty ratio. But municipalities in which the proportion of commercial properties is higher do not cease their efforts to add still more to the strength of their position.

Beyond the general preference for commercial and industrial properties which the present system of taxation produces, it leads municipalities to favour one kind of business property over another according to the weight of the business tax imposed on each such property in relation to the municipal service demands which the type of business in question may be expected to generate. Thus, it is obviously better business for a municipality to obtain a new distillery, whose rate of business tax is at the one extreme, than a supervised car park, which is at the other.

The ability of a municipality to raise revenues through taxes, rates and other charges depends, broadly speaking, upon the income of its people, including its business property holders. In the long run, taxation must not be too onerous to be paid from income; and taxes upon business establishments in any one municipality must not be so heavy as to destroy their competitive position with businesses located elsewhere.

A particular system of taxation and related revenue-raising may tip the scales of taxation and bear more heavily against one class of taxpayers than another, as our present Ontario system does, not only as between commercial and residential property holders but within the commercial sector as well. Yet whether such tilting exists or not, the only long-term assurance of adequate taxable capacity is adequate income. And, to obtain that result, a proper balance of various types of properties is called for so that even with a discriminatory weighting of taxation a municipality's taxable capacity is unlikely to be seriously distorted.

The existence of an adequate range and proper balance of properties within a single municipality is only assured if that municipality is a fully self-contained community. The greater ease of dispersal of urban developments and the positive advantages of locating new industries, shopping centres and residential subdivisions on or beyond the fringes of the urban areas which are responsible for their existence requires municipal boundaries to be much more widely drawn than in former days in order to ensure the equivalent equity today in the taxable capacity of urban municipalities.

Inequalities in the ability of a municipality to raise revenues for itself through taxation and similar means can of course be countered by means of the formulae on which provincial grants are paid out to local governments. Where local taxable capacity is greatly distorted, it becomes much more difficult, both mechanically and politically, to restore equity in municipal financing through a grants programme.

4. REPRESENTATIVE INSTITUTIONS — The most persistent and perhaps the least defined objection to a metropolitan merger centres around the relationships of the citizen to his government. In this statement we endeavour to set down the various aspects of the relationship which appear to have a legitimate significance for metropolitan government.
- (1) The citizen and, more especially, the resident property holder should have a ready opportunity to express his opinion upon proposed decisions as to the form and extent of municipal services.

An example from Toronto's experience was found in the wish of parents to be consulted about the progressive division of the elementary school system into junior and senior public schools — a change which evinced considerable discussion in the course of its introduction throughout the City of Toronto.

- (2) Citizens have every right to expect that a ready channel will be open to them through which to report deficiencies in the provision of the public services.

The citizens like to be able to obtain quick action in their requests for snow removal, tree trimming and discouragement of illegal parking, etc. Whether or not the channel of appeal should be through some member of a municipal council is debatable. Yet the prevalence of this practice underlines the necessity of ensuring that, where a complaint is warranted, the remedy will be prompt and, where it is not, a careful explanation will be forthcoming.

Both with respect to the administration of civic affairs and the formulation of civic policies, the maintenance of ready access to the governmental authorities concerned is important whether or not the public chooses to take advantage of these facilities. Indeed, a system for registering complaints which falls into disuse may help to demonstrate the existence of a suitable relationship between the municipality and its people.

- (3) The local citizens should be assured of equally ready access to local government in its handling of both major and minor undertakings.

The citizens are not being adequately served if, for example, they can see to it that the grass is cut regularly in the neighbourhood play lot but are powerless to prevent the growing neglect of a large regional park which is intended to serve the whole metropolis. Again, it is not sufficient for the citizen to be able to get prompt action on a plugged drain on his street if at the same time the final disposal of sewage is, perhaps without his knowing it, hopelessly inadequate.

- (4) The citizen is entitled to be kept fully informed about government and this requirement is not sufficiently honoured, we suggest, when the entire responsibility for digging out and disseminating information on civic affairs is left to representatives of the press, radio and television and to volunteer groups.

This responsibility to inform is particularly important in the case of big government and the larger the community to be served, the more difficult the fulfillment of this requirement becomes.

- (5) The local citizen who is interested in civic affairs should be enabled to identify himself with his local government without undue effort.

The simplicity of the governmental organization, the clarity of its published material, the strength of its information programme and the attractiveness of its community symbols all contribute to this end.

- (6) In any changes which are made in the governmental system for a metropolitan area, the new pattern should have a sufficiently close relationship with the existing forms of organization and methods of conducting civic business to prove acceptable to most people concerned.

In the Toronto area, we operate with councils which are much smaller than in England. Most of our municipal councils are comparable in size to those of American cities although the City and Metropolitan Councils are somewhat larger. We make use of the ward system in all the larger municipalities in this area except East York.

We expect our elected representatives to assume fairly detailed administrative responsibilities — a tendency which has been increasing in recent years with the greater reliance upon boards of control or executive committees and with the growth in importance of the office of “head” of a suburban municipality through membership on Metro.

We are prepared, increasingly, to compensate our elected representatives for their work and to contemplate the rise of the professional career politician.

We are not ready to back candidates who wear party labels or to encourage formal participation of political parties in election campaigns or in post-election alignments.

We know that a two-level system in which the metropolitan bodies are made up of ex-officio representatives from area bodies is acceptable. We are without evidence, however, that the Winnipeg or London systems of direct election would gain ready public approval.

5. **COMMUNITY COHESION AND CONFLICT** — Any proposed change in the system of representative government for a metropolitan area must, it is acknowledged, take account of the community attitudes which exist. Whatever these are found to be, recommendations for reform should represent a realistic amount of progress.

The discouraging lack of progress in dealing with metropolitan problems in the United States can be explained in part by their home rule legislation which was passed as a reaction against the earlier undue interference with local affairs by state legislatures and state officials.

Their position has been made even worse through the prevalence of city charters with difficult and complicated methods of amendment. Neither of these obstacles blocks Toronto's path.

On this whole question one statement from an article by Edward C. Banfield and Morton Grodzins in Banfield's "Urban Government" goes far to explain the American frustration:

"Deep and persistent political conflicts divide the populations of most metropolitan areas. Conflict between the central city and the suburban ring — which also is a conflict between lower-classes and middle-classes and between Negroes and whites — in most places rules out any immediate possibility of 'one local government for one local area'."

The competition our people have encountered is of a quite different order: petty bickerings over tax levels, boasting about the relative calibre of local services and vying for industry. Toronto is indeed fortunate that cleavages rooted in religion, race or colour or in the pitting of wealth against poverty have never developed.

CHAPTER VII

CONSTRUCTIVE ALTERNATIVES AND THE CITY'S CHOICE

STARTING POINTS

Six years ago at the end of an extensive review of metropolitan government, the Metropolitan Toronto Commission of Inquiry in effect gave the federation a clean bill of health and, by the same token, a new mandate. What suggestions it had for legislative changes were designed to reinforce the system not replace it. That course of action might have been viewed as right *strategically* at the time. But we are certain that the need now is otherwise and that, in addition, the *diagnosis* was wrong.

Through all the years of experience with metropolitan government there has been an element of unrest among the member municipalities. The reason, we suggest, is that Metro has suffered all along from congenital ailments which make it unfit for more than a temporary existence. Under Metro, the area municipalities have been wrestling continuously with divided loyalties, administrative complexities and financial inequalities. The stage has been reached where the amount of potential progress under Metro is unpredictable. The risk involved in clinging to it gets steadily greater. It is time for a planned change.

If change is to come, we advance three points on which we believe there may be general agreement before considering the precise form of government which we deem most desirable.

1. Despite the weaknesses of Metro, its critics have not proposed turning back the clock. The degree of metropolitan unification which has been attained should in the opinion of all responsible observers be preserved. It is generally recognized that Metro has proven, as the Ontario Municipal Board had hoped, "a forward step in the solution of an extremely difficult problem". (Page 89, 1953 Report.) *Change ought therefore to consolidate gains and build upon them.* In the broadest terms, it should involve one or more of the following courses of action:
 - a) extension of the territorial coverage of metropolitan government;
 - b) full or partial merger of additional single services;
 - c) replacement of some or all of the present municipalities by one or more larger units perhaps including, if the two-level system is kept, some further revisions of boundaries in order to obtain units of more uniform size.
2. *Any change of more than a minor nature which is to be recommended should represent an attempt to effect a realistic degree of progress in relation to past accomplishments and defined objectives.* If an intended change necessitates disturbing existing loyalties, it should be carried far enough to ensure that the purposes behind the change can be accomplished.
3. *Where an option exists, it would seem preferable to adapt proven institutions to our present needs rather than to evolve completely new and untried governmental arrangements.* Even though Metro was modelled upon the Ontario county, an institution which had served our people for more than a century, it contained enough that was new to breed some unforeseen practical difficulties.

TERRITORIAL EXPANSION

Since the legislation was passed creating the Municipality of Metropolitan Toronto, our metropolitan area has grown considerably, both within and beyond the boundaries of Metro

proper. Annual population estimates for the outer planning area show a population increase from about 91,000 in 1953 to over 178,000 ten years later, or a ninety-six per cent addition. This evidence alone suggests the need for considering some expansion of the outer boundary for unified government.

Whether a two-level system of government is to remain in effect or the traditional pattern of city government is to be restored, the suitability of the present outer line must, we submit, be examined. Furthermore, the extent of urban development which needs to be enclosed may be a factor in deciding which is more practical, amalgamation or federation. If federation should be continued, the most likely way of adding territory would be to take in some further municipalities and to give them the status which now applies or is then assigned to local municipalities within the present boundary line. If we amalgamate, the outer boundary could be extended by adding whole or part municipalities which would thereby be brought into the enlarged city.

Thirteen years ago, in advancing two alternative proposals for the future government of this metropolitan area, the Metropolitan Problems Committee of the Civic Advisory Council advocated taking in a larger territory in the event of federation than under amalgamation. The distinction was a logical one and reflected a commonly-held attitude on the subject. Where a single city is intended to embrace the substantial responsibility for government in the metropolitan area, it is likely to possess certain ties with the area beyond: consequently, it can operate effectively with narrower boundaries than a federation. Under Ontario law, cities are expected to enter into arrangements with the adjacent municipalities for such purposes as suburban roads, administration of justice and the sponsorship of health units. Today five Ontario cities are even tied in with their abutting suburbs for secondary school purposes.

Before Metro, the City of Toronto maintained certain service relationships with its immediate suburbs. When the Municipality of Metropolitan Toronto was established the boundary did not enclose all contiguous urban development. This situation was countered by making provision for extraterritorial operations in the spheres of public transit, community water supply and sewage disposal, suburban roads, regional parks and planning.

It is important to give consideration not only to the amount of territory which might to advantage be brought into a metropolitan city or federation but also to the fate of the residual areas that remain outside. When changes are ordered a particular responsibility exists as to the future in store for the remnants of any partitioned local municipalities or counties. No territories which cannot become viable units of government with a reasonably secure future must be left to fend for themselves. In our situation, this means that any proposal to shift from the present metropolitan boundary line would require just as careful attention to the pattern of government for people on the outside as to the hoped-for advantages to the residents and property holders inside.

It does not seem reasonable for one local municipality to have to assume the total responsibility both for proposing the reshaping of its metropolitan government system and for developing and propounding a plan of government for the neighbouring territories beyond. Indeed, the proper rearrangement of local and regional units of municipal government within the Toronto area may not be possible short of a fundamental change in the whole network of municipalities across southern Ontario. And so we suggest that the Province must be expected to share this responsibility actively.

More precise and detailed consideration of the outer boundary is being reserved to the next section of this submission. We do so in order that our views on the matter may be considered in relation to our recommendations as to form of government for this community.

ADDED SERVICE RESPONSIBILITIES FOR METRO

The least aggressive form of change from the present governmental arrangements would be to continue the piece-meal transfer of the present functions of area municipalities to the metropolitan level. Such a decision needs, in reality, to be more precisely defined, for it can mean three different things:

1. Unification of additional services on local initiative, as now.
2. The Province to order the unification of some specified services, keeping the existing Metro.
3. The Province to order and schedule the progressive unification of all remaining services, ending in amalgamation.

LOCAL INITIATIVE

To rely on this alternative would be too much of a leap in the dark for our liking. The process of piece-meal unification might go on. But its progress would be too halting, too uncertain to be satisfactory. In accepting such a course, the Province would be abdicating its responsibility.

PROVINCE TO REQUIRE TRANSFER OF ADDED SERVICES TO METRO

If the Province took the lead and ordered further service transfers, it would have to make enough changes to restore stability. For that, the starting point would be a review of the present division of functions such as we have undertaken for the purposes of our submission.

Here is what emerges when we attempt to devise a plan in light of our own review:

1. There ought certainly to be some extension of the consolidation of staff functions embracing, as a minimum, personnel, purchasing and real estate operations.
2. In the interests of equity, Metro might take over the marine policing and the sponsorship of the City's Development Department with an extension of the latter work into some suburban areas. On the other hand, while the City is held within the two-level system, it would have to resist with all its energy any transfer to the metropolitan level of either the Canadian National Exhibition or the harbour operations.
3. Some of the services for which responsibility is now shared between the Metropolitan and area levels ought to be fully unified. All welfare and education would have to be placed with Metro. It would seem highly desirable to do the same for the housing operations and off-street parking.
4. Among those services which still remain as a full or substantial responsibility of the area municipalities, the position might be this: fire unification could not possibly be avoided; a substantial or complete consolidation of public library services is overdue and would have to be effected; in logic, the building by-laws and related matters should be merged and to formalize what is already happening; while the City is not suffering, it would be unfortunate to continue withholding the benefits of a large Metropolitan Health Department from the suburbs; and, finally, we could go on sacrificing efficiency on our electric systems, as part of the price of continuing to live under a metropolitan federation.

All in all, any programme that might realistically be mapped out would not seem to make very good sense as a permanent arrangement. It would be bound to reduce the powers of area municipalities quite substantially; and it would probably open up another new round of pressures for unification of still more services.

In Dr. Rose's article, to which reference was made earlier he includes among the proponents of amalgamation "the research specialists and bureaucrats who stand for apparently 'neat and tidy' solutions for urban problems". From our long study of the subject we believe that the people of greater Toronto stand a much better chance of obtaining honest and efficient government by lining up under that banner than by assuming the necessity for "the administrative compromises" which Dr. Rose presumably regards either as desirable or inevitable.

UNIFICATION OF SERVICES, THE ROAD TO AMALGAMATION

The gradual unification of individual services as the planned route to amalgamation has often been suggested. It would have the obvious advantage of avoiding a drastic restructuring of municipal government for the metropolitan area all at the one time.

This service by service approach would have to emphasize the Municipality of Metropolitan Toronto as the base from which the new city would be built and not the existing City of Toronto. Metro would be given that preferred status despite two things which seriously detract from its qualifications for such a role:

- 1) its repeated identification with the forces of discord;
- 2) the extent to which the City continues to provide the civic leadership to the whole area.

Taking the question a little further, the City recognizes the possible concern of suburban representatives and officials that it might in its turn seek to dominate the new form of government which is brought in. We have no such aspirations. At the same time, we are not unaware of the preferred position in which present members of the Metropolitan establishment would be placed by authorizing that municipality to gather under its roof the remaining fragmented responsibilities. The certain dominance of the Municipality of Metropolitan Toronto would immediately eclipse any fear of undue influence from the existing City of Toronto. When senior positions were being filled present Metropolitan officials would obtain an automatic, unavoidable advantage. The situation could scarcely be termed a benefit of gradualism.

What the City of Toronto believes is that a new government for the metropolitan area should be created from as neutral a starting point as possible. And, while there has been great concern to maintain a balance of contending forces in the structure of the existing metropolitan government, the functioning Metro could not easily be mistaken for a symbol of neutrality. The City seeks no advantage for itself and must oppose a position of special privilege for any other existing municipal entity in the development of the new municipal government which will be set up to serve the whole metropolitan area.

But there are other more serious shortcomings of the service by service road to amalgamation. Here in brief are three points of concern:

1. The present financial relationships of the area municipalities would be affected in quite different ways through the unification of any one service compared with another. Each individual transfer would not necessarily bring us closer to financial equity.

We take for illustration the effect of two particular changes on the City of Toronto. Our contention is that, today, the City of Toronto is carrying more than its share of the cost of government throughout the greater Toronto area. The consolidation of the remaining public welfare services would remove one clear inequity and considerably improve the City's financial situation. If, on the other hand, the Parking Authority of Toronto was to be transferred to the metropolitan level without compensation, the City would be making a further financial sacrifice.

2. The progressive transfer of services to Metro would be matched by an offsetting step by step reduction in the responsibilities of the area municipalities.

If unwarranted empire-building is a danger of bigness and Parkinson's Law is something to be avoided like the plague, it is equally true that capable administrators should not be put in the position where their responsibilities are steadily shrinking. The effect on work performance would be quite corroding.

3. The service by service approach would grant a new lease of life to the Metropolitan Council and School Board and thereby extend the grave and growing departure from rep. by pop. These anomalies would be growing worse at the same time that the work over which the Council and School Board presided was gaining in importance. The unwarranted weight of influence of the little suburbs would have steadily more serious implications.

Finally, in order to achieve amalgamation through the staged unification of municipal services, a timetable would have to be laid out and adhered to. The plan, if it had teeth, would we fear prove just as distasteful to those suburbanites who are officially committed to opposing amalgamation as immediate amalgamation itself. The process would be rendered no less painful by extending it over a longer time. Further, it would encourage bickering, political manipulation and blocking.

BOROUGH SYSTEM

In the consideration of useful alternatives, considerable interest has been expressed in swinging over to a borough system. The purpose would be to obtain the major benefits of amalgamation without eliminating the closer contacts between representatives and their constituents which the retention of smaller municipalities is said to make possible and without embracing the fearful bigness which the word "amalgamation" conjures up in some people's minds.

The word borough has a nice ring about it. It is the hallmark of urban government throughout England and Wales with a date stamp at least as early as the Battle of Hastings. The name also conveys a picture of the governmental systems for the two greatest cities in the world.

In this submission, we do not propose to discuss at length the merits of either the system of government for London, England, or the very different arrangement in New York which happens to go under the same name. But because there are popular misconceptions on the subject, it is necessary to say a brief word.

NEW YORK

As all the textbooks recognize, the London borough system is a federation whereas the New York system is not. In a study carried out for the Council of State Governments, Professor John C. Bollens says: "New York City is an illustration of consolidation and not federation because the local boroughs do not have legislative powers." Ernst B. Schulz, in his text on American City Government classifies New York as having an "administrative district" plan of metropolitan government similar to the systems which used to operate in greater Berlin and in Frankfurt, Germany.

A good brief description of the New York City government was contained in the first report of Toronto's Metropolitan Problems Committee of the Civic Advisory Council:

"Under the charter of 1938, the government of the City of New York is the single dominant governmental authority for local affairs in New York. Though five boroughs and five counties with identical boundaries exist within the City, these units are so integrated with the City government as to be parts of a central city, rather than semi-independent political units."

LONDON

To understand the London borough system, two points must be recognized: the much different governmental system into which it fits and the events leading up to its adoption. As to the former, it is perhaps sufficient to say first, that England is a unitary state and the London area therefore has only three layers of government and, second, that the urban developments coming within greater London are far more extensive than anything Toronto might anticipate for at least a hundred years.

There is some tendency for Canadians to hold romanticized views of governmental operations in what is for many the mother country. Actually, the borough system emerged as the long-term solution to a somewhat unsavoury struggle for the reform of local government which had its origins before the Reform Bill of 1832 and continued to occupy the stage until the turn of the century. A quotation from Herman Finer's "English Local Government" is enlightening:

"In 1884 Sir William Harcourt introduced a Bill drastically to reform London government. It met with the most determined opposition from the City of London and was defeated. Harcourt's London government Bill planned to set up a single municipality for the whole of London, based on a reformed City Corporation with an extended area. The City of London obdurately opposed the Bill, and its methods were reminiscent of Tammany Hall in New York City. The Lord Mayor exercised his right to sit in the House, and took a leading part in the agitation against the Bill. Thousands of pounds were spent by the City authorities on hordings and advertisements in the newspapers, and bullies were hired to break up reform meetings in all parts of London. . . . But the movement for reform could no longer be obstructed, particularly when serious charges of corruption were levelled against the Metropolitan Board of Works in 1885."

This quotation describes very well the conditions under which the London borough system was conceived and born.

ITS APPLICATION LOCALLY

In foregoing further discussion of New York and London, our purpose is not to brush aside fuller consideration of the borough plan. Our aim, rather, is to concentrate upon an examination of the real merits of this particular idea in its application to Toronto.

The first point to be emphasized is that Toronto has a borough system now: for, in its accurate use, borough system means a federation of local urban municipalities extending throughout all or part of a metropolitan area.

What the local advocates of a new borough system appear to be seeking is some rationalization of our particular two-level arrangement in order to overcome the great disparity between the large and small area municipalities. We could meet that objective by chopping up existing municipalities, reducing them to the size of our present Swansea; and we would end up with 180 municipalities now of 10,000 population each and we would find ourselves adding about five new boroughs every year. We could move in the other direction and create three cities each approximately equivalent in population to the existing City of Toronto. The probable modification of the present two-level system, if it occurred, would lie somewhere between these extremes.

The most publicized example of a modified borough system is found in the report prepared by the Ontario Department of Economics for the Special Committee of the Metropolitan Council on Metropolitan Affairs in 1961. Despite the confident assertion that "the Report is essentially fact-finding in nature" and intended to present information with respect to "the alternative lines along which a solution (to the Metropolitan Toronto problem) may be found", it turns out to be a vehicle for promotion of one quite particular course of action. It examines the financial implications of a five-city system, which was a plan put forward earlier by the Metropolitan Chairman of the time, Mr. Gardiner, and which, more recently, had been rejected by him out of hand.

Along with the five-city proposal, the Provincial study dealt with a modification of it, the joining of the York Township and Toronto boroughs to reduce the number of cities to four. Neither the four nor the five-city plans would partition any existing municipalities: they would combine municipalities to constitute three large outer municipalities and either one or two inner municipalities.

The favourable attitude to the big borough which emerged from the provincial study has helped keep the public interested in them. Continuing discussion, however, has served to emphasize certain weaknesses and has brought suggestions for further change. One idea is that no borough should contain more than about 300,000 population. This would mean breaking the City into two. North York is already over the limit even without the proposed addition of the Town of Weston. In 1963, the estimated population of the two was 313,701.

Our attempt to appraise the borough alternative indicates the difficulty of settling the issues of metropolitan government by debate and the impossibility of submitting the question to the public in referendum form. We have in mind this fact: part of the objection to any particular borough plan can always be countered by proposing a somewhat different grouping of boroughs. Specific criticism can be met by suggesting changes in the total number of boroughs or in their actual boundaries. In the end, the number of permutations and combinations which could be examined is legion. We hope nonetheless to give the modified borough proposal the amount of attention which it justifies.

Either the four or five-city system would continue the situation of a division of the metropolitan area into:

inner municipalities with no room for growth and a continuing necessity for urban renewal, and
outer municipalities where fresh growth is going on with all its attendant problems.

Is it possible to avoid such a division? The nearest approach to a group of area municipalities each with a share of the core and fringe areas would require us to view Toronto as half a pie and to cut it up accordingly. We would be making municipalities similar in shape to the electoral areas of Metropolitan Winnipeg. The result would be divisions which as municipal boundaries would be quite unworkable. If such municipalities could be created, they would still fall far short of the theoretical requirements.

FOUR OR FIVE-CITY SYSTEM

Among the endless variety of choices, either the four or the five-city system has this one advantage that, among the modified borough plans, it involves much the least disturbance of the status quo.

As a consequence of its analysis, the Department of Economics reached the conclusion that a four or five-city system "offers an opportunity for resolving the problems of representation and economic balance while preserving the main character of the existing system . . . There would be only three or four of the smaller municipalities that, on the basis of our statistical information, would be exposed to a sharp and significant increase in taxation."

According to the assumptions on which it was compiled, we have no quarrel with the statistical information in the Department's report. It does seem to us, however, that quite different comments might have been made from the same statistical evidence. Here is an alternative way of reviewing their figures:

1. The financial analysis like all calculations of this sort is highly theoretical, involving a number of assumptions which must be quite arbitrary.

2. Actual adjustments have been confined to a mechanical reshuffling of 1959 expenditures. No allowance has been made with respect to any of the proposed changes for possible administrative savings.
3. It has been assumed that it would be possible to maintain the existing services as they stand in each of the present area municipalities, although in practical terms this is quite impossible.
4. On the above basis, the figures do indicate, based on 1959 actual revenues and expenditures, the comparative weight and direction of anticipated tax changes for the taxpayers of each present area municipality through adoption of three alternatives: amalgamation, and either a five or four-borough plan.
5. As the report notes, "on the basis of these computations, the financial impact of a consolidation into four or five boroughs would be more moderate than that under amalgamation." The reason, we add, is that either the four or five-borough plan would go only part way towards the elimination of present tax injustices.
6. In the one suburb where the need for tax relief is perhaps most apparent, the Township of Scarborough, no help would be forthcoming under either borough plan. Scarborough would have to continue unabated its relentless struggle to bring in lucrative new industrial and commercial assessments and to discourage modest housing. And to leave Scarborough in this vulnerable position would rule out all possibility of an easterly enlargement some day to take in all or part of Pickering Township.
7. Under either borough plan, "only three or four of the smaller (our underlining) municipalities . . . would be exposed to a sharp and significant increase in taxation". However for the present Town of Leaside, which poses the most acute problem in this regard, either proposed borough plan would result in a sharper tax increase than amalgamation.
8. If some method of cushioning the shock of a tax change is necessary, it would be required to facilitate all three proposed forms of change. To prove the point, the increases and decreases estimated in the report are reproduced below:

EFFECT OF CHANGE ON PUBLIC SCHOOL SUPPORTER

Increase or Decrease per \$1,000 of Metro Assessment

Based on 1959 Net Current Expenditure

	<i>Amalgamation</i>	<i>Four-City Plan</i>	<i>Five-City Plan</i>
Leaside	Worse off by \$14.19	Worse off by \$14.56	Worse off by \$14.63
New Toronto	Worse off by 11.35	Worse off by 5.54	Worse off by 5.54
Mimico	Worse off by 6.43	Worse off by .62	Worse off by .62
Swansea	Worse off by 6.16	Worse off by 6.53	Worse off by 6.60
Etobicoke	Worse off by 5.35	Better off by .46	Better off by .46
Forest Hill	Worse off by 2.62	Worse off by 2.99	Worse off by 3.06
Long Branch	Worse off by 1.65	Better off by 4.16	Better off by 4.16
York	Worse off by .34	Worse off by .71	No Change
Weston	Worse off by .10	Worse off by .07	Worse off by .07
North York	No Change	Better off by .03	Better off by .03
CITY OF TORONTO	Better off by 1.00	Better off by .63	Better off by .56
East York	Better off by 2.84	Better off by 2.47	Better off by 2.40
Scarborough	Better off by 5.24	No Change	No Change

The further we look into the four or five-city system, the less it seems to merit inclusion among our constructive alternatives. Certainly we are not avoiding big government by creating a cluster of cities ranging under one alternative from 125,000 to well over three-quarters of a million and under the other from some 220,000 to nearly 900,000, both based on 1963 population.

To anyone with an appreciation of the City of Toronto's history, it would be unthinkable that it should be chopped into two or three parts to make the upper population limit of the boroughs less. It would be grossly unfair, moreover, to re-arrange the boundaries of the City of Toronto unless one were prepared at the same time to alter the boundaries of other area municipalities which are equally out of tune with the times.

One of the problems which must be faced in appraising any proposed change in the governmental system is the difficulty of effecting the transition. In 1953, the Ontario Municipal Board gave as one of its reasons for denying the City of Toronto's application its conclusion that amalgamation "would result in immediate and prolonged administrative confusion of the most serious kind". To set up the federation involved much less of a problem than that. However it did require sufficient re-organization to occupy the full eight and one-half month preparatory period which had been allowed; and it took much longer again to eliminate all the transition problems.

The federation plan has eliminated some of the administrative difficulties of moving to amalgamation. It has involved, on the other hand, the development of certain administrative arrangements which have no place in an amalgamated city and which will in their turn take time to unscramble.

To move from one form of borough system to another will not mean much progress. On the other hand, it would involve combining eight or nine of the smallest municipalities with three of the largest area municipalities. The administrative re-organization would take time and cost money, some of which would be wasted if it was only a stop-over on the road to amalgamation. It would not be productive if it could not serve as a long-term arrangement. To adopt a modified borough system and then decide that amalgamation was needed would be an expensive mistake.

The former Metropolitan Chairman who inspired the initial interest in a four or five-city system, dealt with the governmental requirements of the Toronto metropolitan area in his 1961 inaugural address. That was the occasion on which he chose to announce his plans for retirement; and his speech was designed to lay certain issues bluntly on the table. Under the caption "Amalgamation" he speculated as to the best form of municipal government for this metropolitan area and he presented his own conclusion in the following words:

"In my view the alternatives are to continue this (our present) form of government with multiple voting or complete amalgamation of the thirteen constituent municipalities into one city which would operate under the present provisions of the Municipal Act which apply to cities with a population in excess of 100,000 — and that there is no intermediate step which would improve the system of municipal government in this area."

No only did Mr. Gardiner express such a view, he urged the Metro Council to set up a special committee of the whole to report by September of that year on "the form of governmental institution best calculated to provide the best municipal government for this area in the most efficient and economical manner . . . so that such recommendations as may be approved by Council may be transmitted to the Province of Ontario for such legislative action as it deems appropriate at its 1962 spring session . . . so that such legislation could be implemented on January 1, 1963." Here is the origin of the elaborate studies by the Metropolitan department heads and by the Province which obtained such a mixed reception, producing new frustrations and a renewed appeal from the area municipalities to the Ontario Municipal Board.

The City of Toronto has reached the conclusion that change from the present federation is essential. That being so the move to be made is to amalgamation. Like Mr. Gardiner, we want to emphasize, moreover, that city government is the familiar and proven system, available to us in general legislation.

A SUGGESTED FORM OF ORGANIZATION

The City of Toronto is much interested in the form of council and in the method of its election for an enlarged city. We regard it as one part of our responsibility to set out some proposed plan which is workable and in accordance with sound principles.

Before suggesting a particular form of council, there are five other matters which should be covered:

1. The ward system is a thoroughly established feature of civic elections within the City of Toronto and an arrangement of some standing in the larger suburban townships. An amalgamation of the size we are seeking greatly reinforces the already strong case for retention of this system.
2. Civic elections in the City of Toronto as elsewhere throughout Canada have been conducted without official participation by the recognized political parties. Those who are successful in the elections are free to pursue their personal convictions with respect to each issue that arises and without any necessity of accounting for their actions to a party organization. It is feared by some and hoped by others that the enlargement of the City of Toronto will bring about a change, that party politics will of necessity enter the municipal scene. Our plan of council elections is designed to function effectively with or without party politics.
3. We are not certain how practical it may be to limit the total amount which a candidate for municipal office can spend on his election campaign. However, if some reasonable method could be found of setting and enforcing a limit, such a step would be favoured by this City. It is our hope also, that the particular plan we present for the election of the new City Council will minimize the pressures for expensive electioneering in other ways.
4. At the present time the City of Toronto and seven suburbs have passed by-laws under the Municipal Franchise Extension Act granting the vote to persons who have resided in the municipality for a specified time but who cannot claim a property franchise. The municipalities which have widened the voting rights in this way constitute more than sixty per cent of the total population within the area proposed for amalgamation. We suggest, therefore, that consideration might be given to making the wider franchise uniformly available throughout the whole of the enlarged municipality.
5. The growing complexities of civic administration make the present frequency of municipal elections steadily more onerous upon those who choose to run for office and an increasing interference with the expeditious conduct of municipal business. We recommend that consideration be given to lengthening the term for members of council to either three or four years. The particular plan of council elections which we are inclined to favour would not facilitate a system of overlapping terms. In any event, such an arrangement has not proven widely popular in this Province.

We now present and explain a specific proposal for the composition of council and for its method of election to serve an enlarged city. What we are suggesting is to be viewed, however, as indicating our general approach to the problem rather than as a dogmatic declaration of the exact size and form that the council must take.

1. The municipality might be divided into twenty-four wards, which would have a present average population of about 70,000 per ward.
2. The suggested wards might be grouped into districts containing four wards each and including three outer districts in the areas of rapid growth and three further districts in the inner area. The boundaries of wards and districts in the outer area could be marked out to enclose somewhat less than the 70,000 average population in order to provide for growth. The wards in the inner area would have therefore to contain a slightly larger population than average.
3. Provision might be made for a decennial review and revision of ward and district boundaries following the release of the D.B.S. census population data.
4. Each ward might constitute an electoral area for a single alderman.
5. Each district might serve as a constituency to be represented by a controller.
6. While controllers would be nominated to represent a single district, the voters in all districts of the city might be allowed to participate in their election.
7. The mayor might be nominated and elected by general vote throughout the whole of the enlarged city.

The effect of this proposal would be to provide a council of thirty-one members, including the seven members of the board of control.

The particular point which needs explanation is the proposal for nomination by district and election by general vote of the six controllers. This same proposal was put forward in your own report as sole Royal Commissioner on Metropolitan Saint John. It appeals to us for the Toronto area because it makes the focus of responsibility and immediate interest for each controller somewhat smaller than the whole of the metropolis, while ensuring that he cannot successfully adopt a parochial attitude in dealing with the questions which come before him both as a member of the board of control and of the city council.

We suggest that in an enlarged city the use of the committee system ought to be retained and that the number of committees ought probably to be increased. We believe, in addition, that the relationship of such committees to the board of control and council might well be reviewed. We propose further that the powers which the board of control is expected to exercise might undergo some re-appraisal with a view to insuring that the controllers' concern with major matters of civic policy and with demanding executive functions may each receive due emphasis.

CHAPTER VIII

A LOOK AT BOUNDARIES

BACKGROUND

In 1950, when the City of Toronto first applied for amalgamation with its surrounding suburbs, it proposed to exclude the outer portions of Etobicoke and Scarborough. The Ontario Municipal Board ruled in effect that part municipalities could only be brought in by annexation and, since the City was reluctant to adopt that course, it undertook to ask for amalgamation with the entire twelve suburbs. In other words, the City was persuaded to seek more territory within the County of York than seemed necessary at the time. As a result, within what we now know as Metro there is a substantial amount of undeveloped land a full fourteen years later.

The dominant factor in determining the eastern and western boundaries of Metro has been the outer limits of the County of York. Because of the local importance attached to these County boundaries, the Dominion Bureau of Statistics was encouraged to regard them as enclosing the Toronto metropolitan area, as defined for census purposes. In 1950, the County limit on the east was more than adequate to contain the metropolitan development. On the west, however, the position was more debatable. The Metropolitan Problems Committee of the Civic Advisory Council rejected the D.B.S. definition and described the area of urban development as extending along the Queen Elizabeth Way to Port Credit and northward along Highway No. 10 to take in the Cooksville area.

The C.A.C.'s Metropolitan Problems Committee, it may be remembered, presented two recommendations for metropolitan government at the end of an extensive study made possible by this City's initiative and backing. One alternative they offered was amalgamation of the thirteen municipalities together with a regional authority with quite limited powers operating throughout a much broader territory. The other was the federation plan much as the Municipal Board subsequently recommended it. But if federation was the choice the Committee proposed to take in all of Vaughan, Markham and Toronto Townships and the urban municipalities situated within each.

This City renewed its application for amalgamation in October, 1962. In doing so, we sought once more the full merger of the thirteen municipalities composing the Municipality of Metropolitan Toronto. The Province's decision to take the matter out of the Municipal Board's hands and place it with a Royal Commission has enabled us to give renewed consideration to the most appropriate form of metropolitan government, including the question of boundaries.

THE WIDER URBAN SETTING

Toronto is situated within an urban belt that extends westward to the urban developments ringing Hamilton and eastward without much slackening to the Town of Bowmanville. A substantial tongue of urban development also runs northward along Yonge Street to the far side of Richmond Hill. From there on, satellite municipalities and unincorporated urban settlements extend in leapfrog fashion as far as the Town of Bradford. All contain substantial numbers of residents who commute daily to the Toronto metropolis.

Present land use plans will, if implemented, produce a similar solid urban extension in a northwesterly direction as far as Brampton. The Malton area is expected to grow to over 30,000 population and to reach out to Bramalea in Chinguacousy Township which in its turn will abut directly on the "Peel Village" developments situated within the corporate limits of the Town of

Brampton. Between them, Brampton and Bramalea are expected to reach a population of 90,000. Some distance beyond Brampton lie two other satellites, Georgetown and Acton, which likewise contain a sizeable number of Toronto commuters.

Around the continuous urban area of Metropolitan Toronto there are other fast-growing satellite settlements — Streetsville, Woodbridge, Maple, King City, Unionville, Markham and Stouffville.

With urban development taking over so much of our open countryside, is any reasonable enclosure of our metropolitan area any longer possible?

PRESENT POPULATION DENSITIES

Despite the explosive character of urban development, a study of comparative urban densities throughout the metropolitan region suggests that some realistic limit can be fixed for the metropolitan area.

According to the 1959 draft of the proposed official plan for Metropolitan Toronto, an estimated ninety per cent of the land in the outer planning area, the thirteen municipalities surrounding Metropolitan Toronto, was either rural or vacant in 1958. The land use section of the latest draft plan, released last September, proposed that 63.2 per cent of the outer planning area continue to be held to agricultural use.

Maps I and II have been prepared based on 1961 census population by census tracts to show the marked difference in population densities between the core and fringe areas. The population density within each tract has been averaged and indicated accordingly. What these maps make clear is that there is still a substantial diminution of urban development as one moves further from the downtown area, notwithstanding the greater scatteration and faster growth rate of recent years.

AREAS OF RAPID GROWTH

To pinpoint the growth situation more precisely, we have produced two further maps numbered III and IV. These portray the population change that has taken place between 1956 and 1961. Again the information has been plotted both within Metro proper and in the surrounding area which is now covered by D.B.S. in its census tract tabulations. For the inner area, a similar map showing earlier growth trends was prepared by D.B.S. itself and included in its 1956 bulletin giving population characteristics for Toronto by census tracts.

With the help of these maps, a number of points show up in sharp relief: the high proportion of the central city and adjacent core areas in which population has actually been declining; the areas of intensive population growth extending in a semi-circle towards the outer edge of the metropolitan area; the actual decline of population in areas which remain largely rural and the considerable influx of population into the fingers of urban development pushing out from the fringes.

URBAN EXTENSIONS BEYOND THE PRESENT BOUNDARY

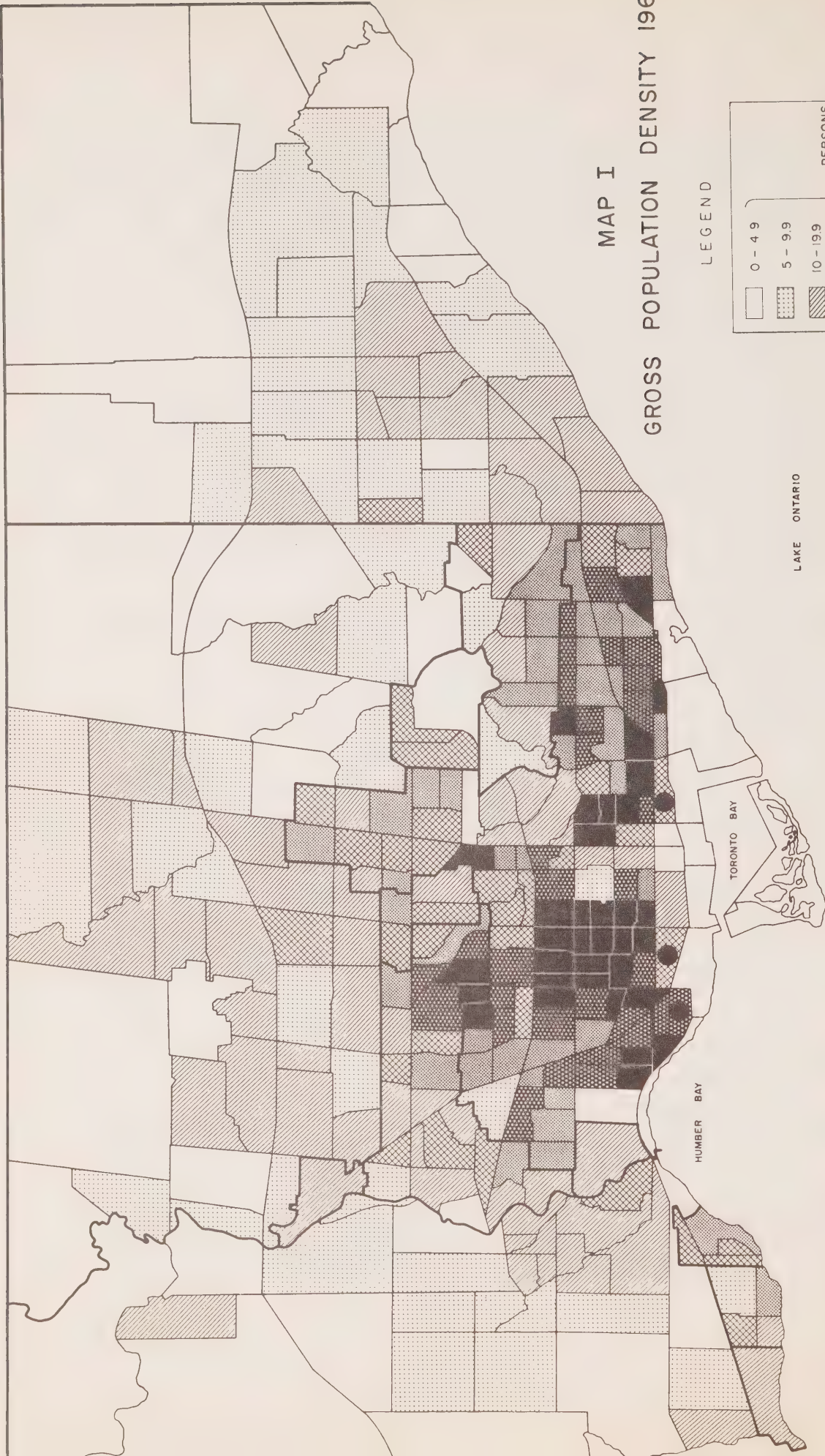
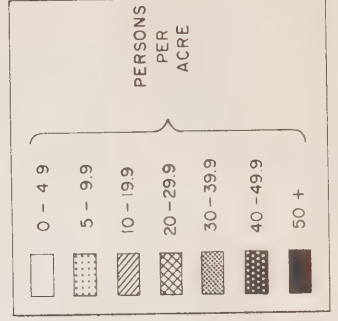
What would be involved in extending the boundary for amalgamation to include both the concentrated urban developments which now exist and others which can clearly be anticipated over the next fifteen or twenty years?

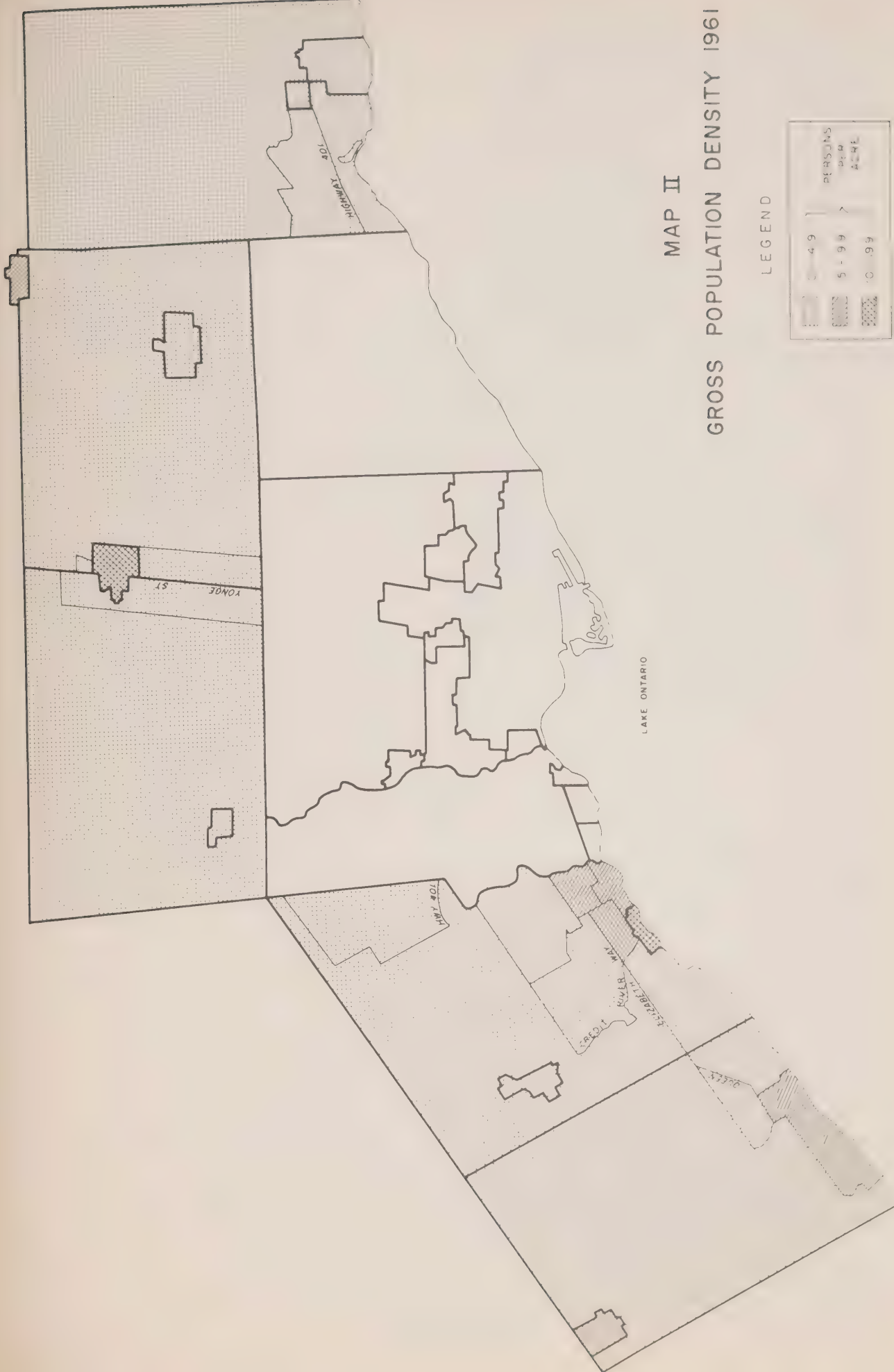
Perhaps the most clear-cut answer to this question is furnished by the land use plan of the Metropolitan Toronto planning area contained in the latest draft official plan and identified as "Land Use Plan Map D". Marked on it is a line showing the expected limit of continuous

MAP I

GROSS POPULATION DENSITY 1961

LEGEND



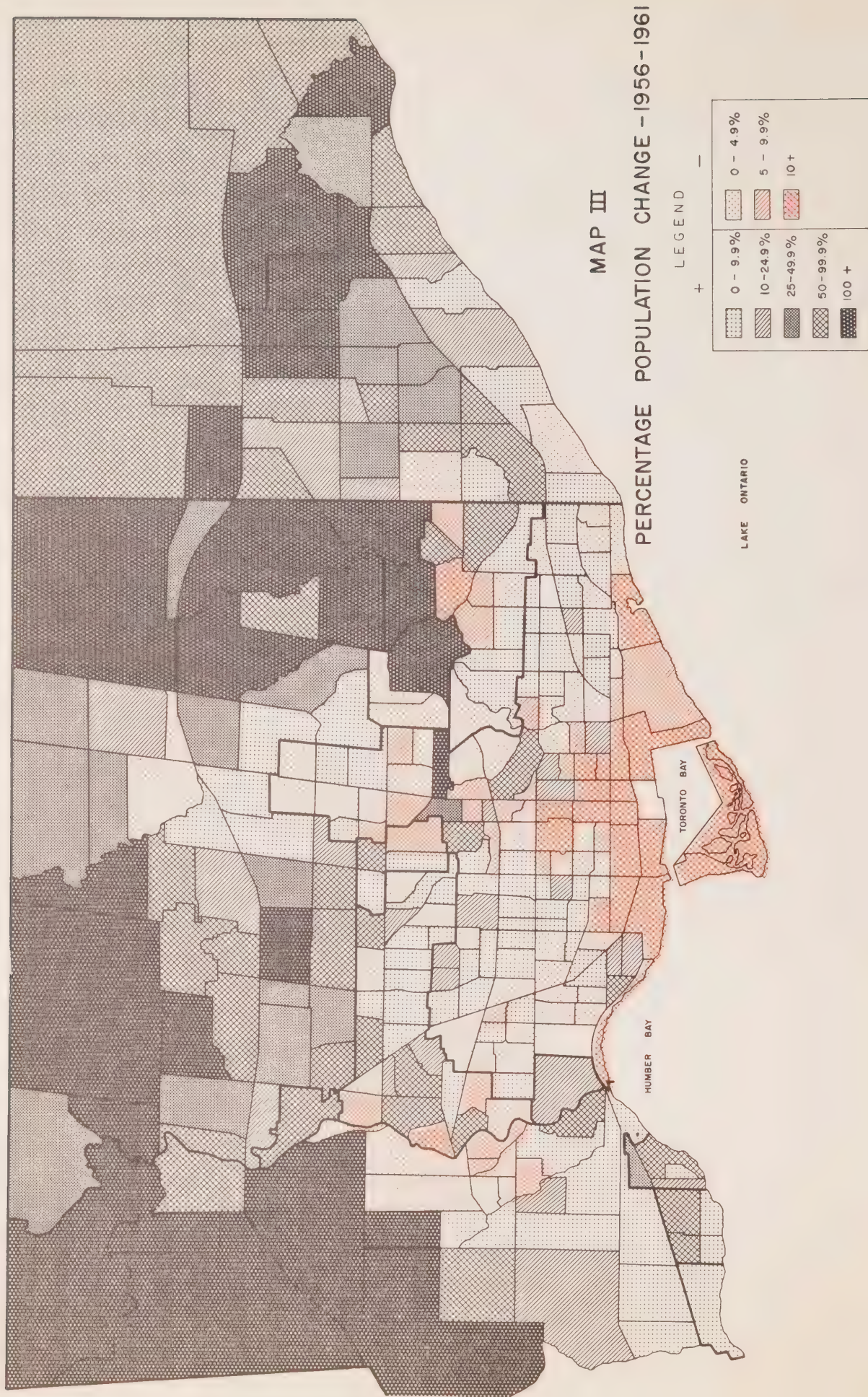


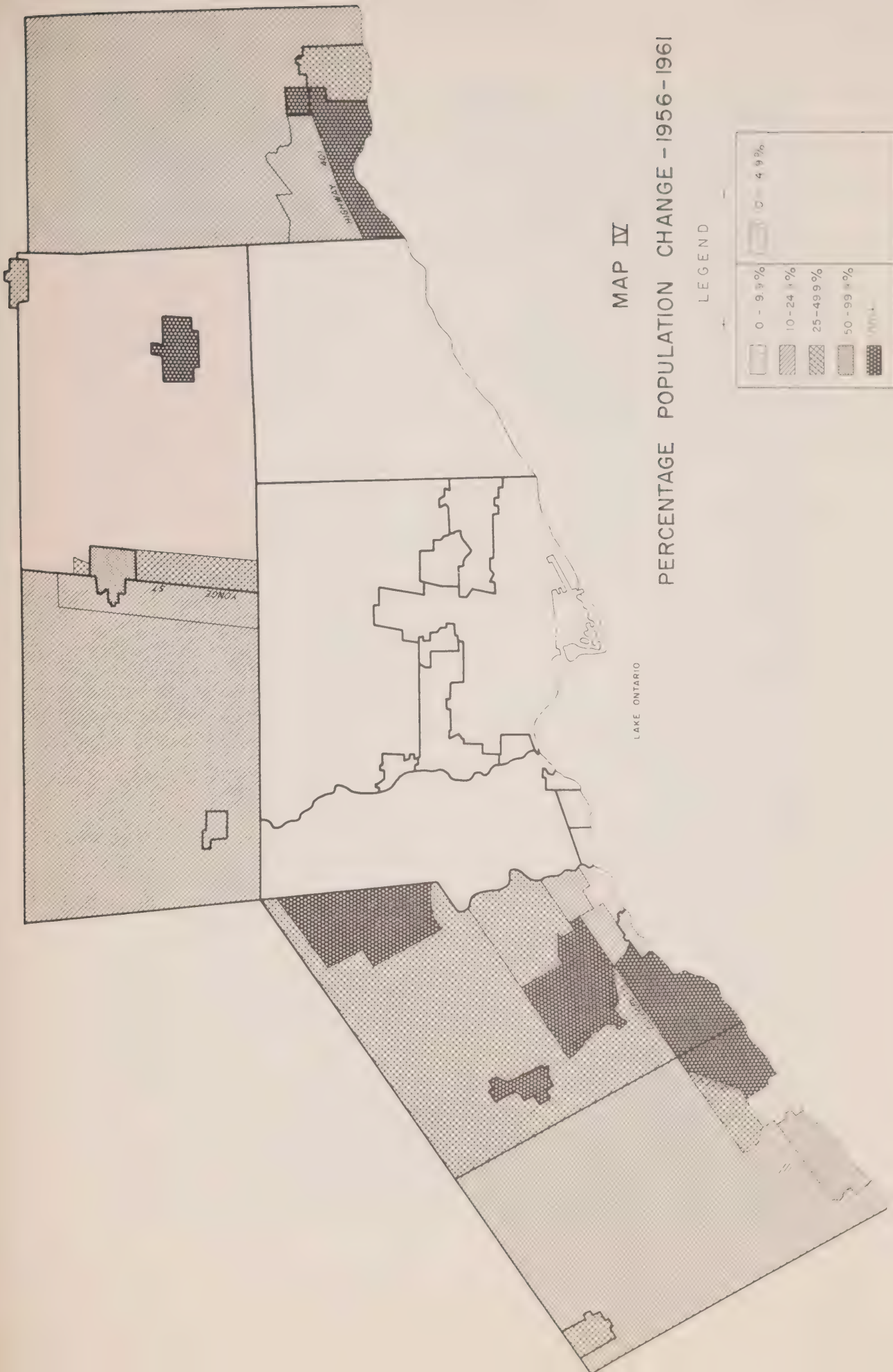
MAP II

GROSS POPULATION DENSITY 1961

LEGEND

PERSONS PER ACRE	
0 - 49	
50 - 99	
100 - 199	

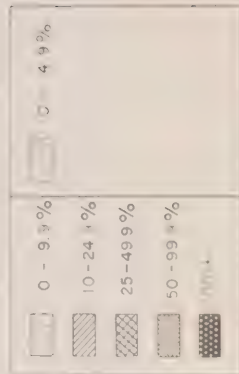


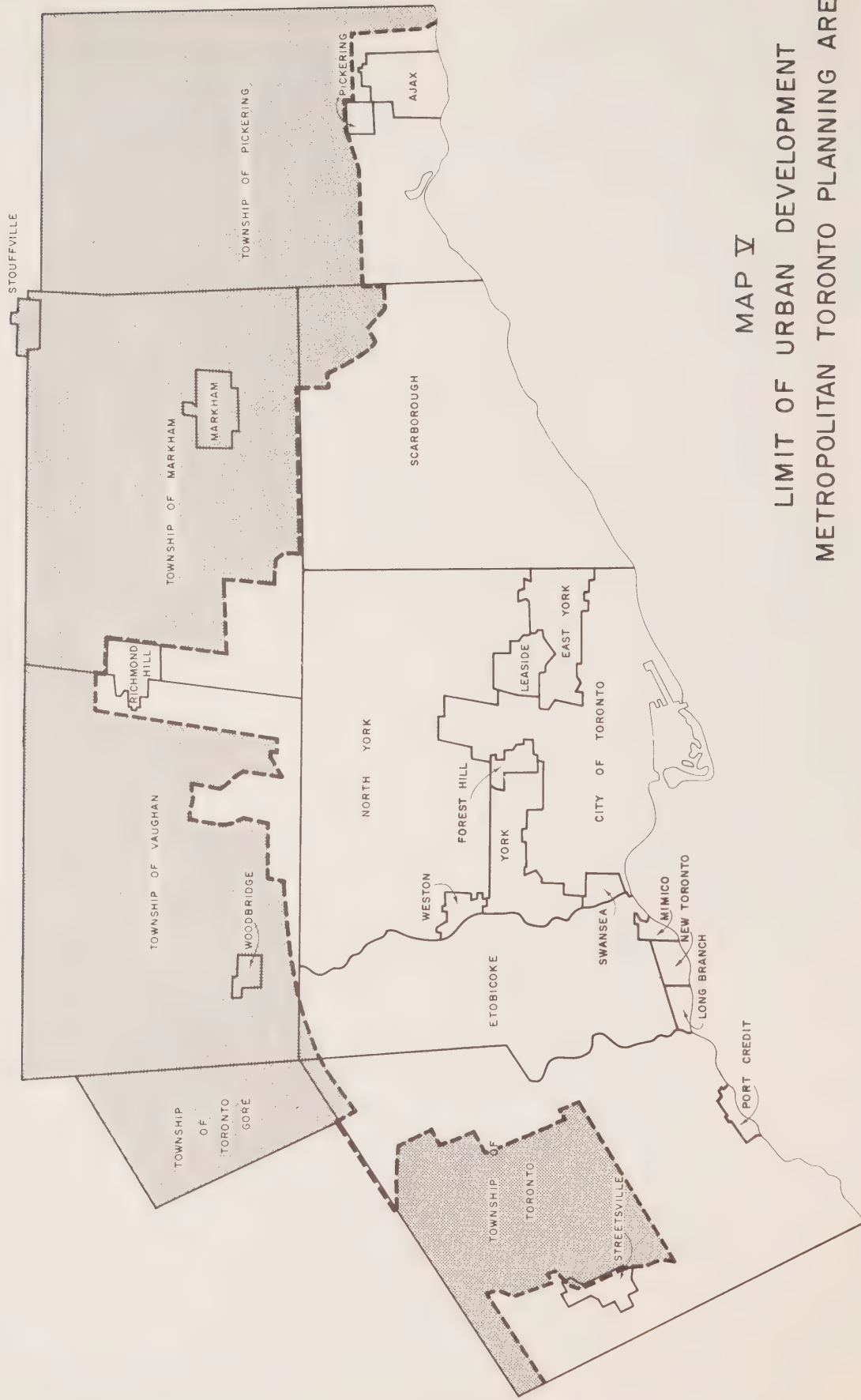


MAP IV

PERCENTAGE POPULATION CHANGE - 1956 - 1961

LEGEND





MAP V

LIMIT OF URBAN DEVELOPMENT
METROPOLITAN TORONTO PLANNING AREA

urban development. For convenience, this much of the detail has been reproduced in this report on Map V.

It will be seen that the unbroken urban area is expected to include

1. about two-thirds of Toronto Township and to extend on beyond it into Oakville;
2. all of Pickering Township south of Highway 2 and west of Carruthers Creek taking in the Town of Ajax and Pickering Village;
3. sizeable portions of Markham and Vaughan Townships centred on Yonge Street and extending to the most northerly development plan for Richmond Hill, together with the "Toronto yard" of the Canadian National Railways new by-pass rail route and the adjacent lands designated for industrial use.

In reviewing this boundary, it becomes evident that it provides no westerly enclosure of Toronto, an uncertain divisional point on the east, but a much clearer northerly limit, presuming planning intensions can be sustained.

The above analysis requires one added qualification. The Malton area is actually well separated physically from Etobicoke by three things — the ravine lands along Mimico Creek, the Woodbine Race Track and the Airport itself. It is only the southerly portion of Toronto Township which is closely linked with the part of Etobicoke lying west of Highway 27.

SERVICE RELATIONSHIPS

A point of importance in deciding upon the most suitable metropolitan boundary is the extent of inter-dependence which exists or which may be expected to develop between municipalities within and on the fringes of the metropolitan area. Along these lines, the Metropolitan Problems Committee laid considerable stress on the number of inter-municipal contracts and similar arrangements among the thirteen municipalities as an argument in favour of developing some degree of metropolitan unification.

Through ten years of federation, the thirteen municipalities have become much more closely tied together than formerly. Hence from a service viewpoint, it would prove decidedly inconvenient now to replace the existing federation by an enlarged city which left out any significant part of the thirteen municipalities. The most that could possibly be contemplated would be removal of partially serviced areas on the outer fringes of Scarborough, North York and Etobicoke.

Next, we describe the important service relationships between the municipalities composing Metro and the surrounding municipalities.

1. **FOR PLANNING PURPOSES**, Metro has been given a leading role in the development or revision of the local plans of the thirteen outer municipalities. By the nature of its particular activities, however, the effect has been to buttress the independence of these municipalities. The kind of local planning which the Metropolitan Board has encouraged has recognized the independent status of each outer municipality and its need to maintain adequate taxable capacity in order to remain on its own.
2. **ON WATER AND SEWER SERVICES**, a number of ties exist or are in prospect.

The lakefront municipalities both east and west are already firmly committed to large-scale urban developments as a consequence both of existing community water systems based on access to Lake Ontario and plans to extend such large-scale lake-based systems.

The war-time provision for community water and sewage disposal in the Malton area has proven a contributing factor in plans for an inter-connection of the watermain grid systems

of Metro proper and Toronto Township. With respect to sewage disposal, long range plans call for tying the whole Malton area into the Metro disposal system.

On the east, one may expect the community water systems serving the Frenchman's Bay and West Rouge areas within Pickering Township to be inter-connected in due course with the water supply network of Scarborough. On sewage disposal, on the other hand, the West Rouge area is already being served by a disposal plant to the east of Frenchman's Bay and there is no tie-up with Metro proper in prospect.

North of Metro, the urban developments which have either taken place already or which carry planning approvals are expected to obtain their water from wells or streams. As one moves northward towards the watershed line between Lake Ontario and Lake Simcoe volume water supply becomes steadily less available. In consequence, an enlarged city would be in a strong position, as Metro has been, to control the extent of large-scale urban developments located to the north. Indeed, as a single municipality with complete powers its position would be even stronger.

As to community sewage systems, again the extent of urban development which can be satisfactorily contemplated, while relying upon upstream treatment plants or sewage lagoons is much more restricted than where lakefront facilities can be provided. The situation is illustrated by the fact that small portions of Vaughan and Markham Townships are already tied in with the metropolitan sewage disposal system while plans have been made to bring Woodbridge in later on. Here also the ability of an enlarged city to control growth to the north is evident.

3. ON ARTERIAL ROADS, Metro and the County of York exercise joint responsibility for virtually the entire network of major local roads through the Toronto and York Roads Commission. To the west, no such arrangement applies while, to the east, a much more restricted suburban roads system fans out from Oshawa. Nevertheless, both east and west, existing and planned provincial highways overcome most potential problems. Until recently the state of the road to Malton airport constituted an argument for adding the Malton area to Metro and, in due course, to an enlarged city. That particular problem, however, has now been taken out of municipal hands.
4. FOR FIRE PROTECTION, the City Fire Chief favours inclusion of the Malton area within an enlarged city. Discussions he has held with officials of New York City have helped to convince him that the airport itself and the industrial, commercial and housing developments immediately adjacent to it should enjoy the full-scale protection which all the firefighting authorities of the Toronto metropolitan area can muster. The thought is that a major disaster might warrant ordering out the bulk of the mobile equipment for the whole area to fight a single conflagration. The Chief sees some advantage in Malton being a primary responsibility of an amalgamated department despite the existence of EMO and mutual aid arrangements.
5. ON HEALTH SERVICES, the separation of Metro from the County of York has actually improved the Metro line as a boundary for an amalgamated city. Since the formation of Metro, the County of York has developed high quality health unit service. Health units also blanket Peel County on the west and substantial portions of Ontario County on the east.
6. ON COUNTY FUNCTIONS GENERALLY some additional points should be noted. Since the formation of Metro, the County of York has been seeking to strengthen its welfare services. Both York and Peel have made significant moves in the direction of consolidating welfare responsibilities at the county level. York County has recently established an advisory planning service for all its municipalities, hoping to further their common planning objectives. Ontario

County is consolidating its assessment services. Thus in all three surrounding counties, some strengthening of county functions has occurred, partly in response no doubt to the challenge arising from their peripheral metropolitan locations.

THE MOVEMENT OF PEOPLE

To our knowledge, no complete survey has been carried out to disclose the numerical extent of the daily shuttle movement of people across the outer boundary line of the Municipality of Metropolitan Toronto. Sufficient partial information is available, however, to cast some light on the subject.

First we report the results of a recent survey to determine the place of employment of full-time workers resident in Bay Ridges, a large-scale residential development surrounding Frenchman's Bay. In the summer of 1963, the Executive Committee of the Bay Ridges Rate-payers' Association canvassed the place of employment of residents with full-time jobs. There were then some 1,150 dwelling units in Bay Ridges, most of which were occupied. About one-quarter of the occupied households had to be omitted, however, because no responsible person could be found at home despite call-backs. Information respecting full-time employees was procured from 787 households out of 808 households from which some response was obtained. At only fourteen was the request for the desired information refused.

In summary, the tabulation of the replies yielded the following information:

1. The place of employment of 96.1 per cent of all persons employed full-time lay outside the Township of Pickering. For heads of households, the figure was slightly higher — 97.0 per cent.
2. Of all persons reporting full-time employment, 88.9 per cent worked somewhere within the Municipality of Metropolitan Toronto. Again, the figure for heads of households was fractionally higher — 90.1 per cent.

The position of residents in Bay Ridges indicates an extreme situation, not an average. Bay Ridges has become a home for commuters to Metropolitan Toronto because of a notable lack of urban employment opportunities within the Township of Pickering. The result is not only a high proportion of wage earners commuting to jobs in the city but an almost complete absence of commuters in the opposite direction.

A year earlier, in the summer of 1962, the City of Toronto Planning Board obtained an origin and destination survey of persons entering the downtown core. The origin of people entering this core area was broken down by districts within the Municipality of Metropolitan Toronto. Those coming from outside Metro were tabulated as originating to the east, the north or the west. At that time the Bay Ridges development was already quite substantial.

On the day of the survey the number entering the downtown core coming from beyond the borders of Metro totalled:

From the east	—	1,418
From the north	—	3,360
From the west	—	7,042

The 11,820 persons coming from outside Metro compared with 199,071 persons all told entering the core area. A point of particular interest is the greater shuttle movement from the north and west than from the east, with by far the larger number coming from the west. Almost five times as many entered the core area from west of Metro than from east of Metro. That the volume of people from outside Metro proper was substantial is revealed by another comparison.

A total of 13,865 persons entering the core area came from Etobicoke and the lakeshore municipalities. More than half as many came to the core area from beyond Metro to the west.

While precise information is not available as to the origin of persons commuting to Metro except from Bay Ridges, it is known that a significant number of people commute daily to Toronto from newer subdivisions in Aurora, Newmarket and immediately north of Newmarket in the Township of East Gwillimbury. Similar situations may be expected to prevail throughout all the areas of urban settlement within a like radius of downtown Toronto.

An interesting example of the present mobility of people is found in the situation of the newly-elected reeve of the Township of Pickering who lives in the West Rouge area close to Scarborough, operates a retail business at Rexdale and conducts the business of the Township at the Village of Brougham.

FINANCIAL INDEPENDENCE

The large-scale residential development at Bay Ridges is creating a tax problem for those living in the townsite because of a shortage of industrial, commercial or other lucrative assessments to bolster the tax base. While this situation prevails, a strong case can be made for enlarging at least the taxing jurisdiction of the Toronto area to include all or part of Pickering Township. But the present position could change rapidly because the developer has provided community water supply and sewage treatment facilities sufficient to service an ample number of business properties. What is more, the Hydro-Electric Power Commission of Ontario is reported as about to begin a \$15 million power plant on a 140-acre site in the Fairport area. This one development would have a marked effect on the revenue position of the Township and would, of course, provide a strong stimulus to further industrial growth.

Speaking generally, the urban communities around Metropolitan Toronto have adopted a tough policy on development with a view to avoiding even a temporary tax deficiency. In this respect, the Town of Brampton's development by-law has attracted considerable attention and has influenced the form of agreements with developers in other municipalities. While such an approach may have planning consequences that are not fully satisfactory, it does mean that for the most part the local municipalities surrounding Metro are financially well able to continue as separate political entities.

THE UNCERTAIN FUTURE OF THE COUNTY OF PEEL

The County of York and Ontario County are each composed of a sizeable number of local municipalities providing in combination considerable strength. Not so the County of Peel. Remove either Toronto Township or the Town of Brampton and Peel County would be badly shaken. Take both away and the County would scarcely survive. The fact is, moreover, that each of these municipalities has long since attained the population to qualify as a city and both have shown some interest in achieving city status.

Another idea which is current is for Toronto Township to swallow up both towns within its borders — Port Credit and Streetsville. A counter proposal that Toronto Township be partitioned to form several urban municipalities has found little favour. Again, Malton which has enjoyed Police Village status for half a century is seeking incorporation and this would remove it from Toronto Township. Associated with that move is the possibility of Malton's absorption into the Municipality of Metropolitan Toronto.

The net effect of all these developments within Peel County is to create a climate of uncertainty and to produce some measure of genuine instability. Some would go so far as to say that Peel County is doomed.

What relevance has this situation to Toronto's metropolitan government? It means, we believe, that the determination of a satisfactory westerly boundary for an enlarged City of Toronto can only be assured when a stable and satisfactory pattern of municipalities has been secured for the territory beyond.

UNPREDICTABLE GROWTH

One difficulty to be faced in establishing the boundary line of an amalgamated city is the uncertain course of urban growth. To illustrate, it is just over three years since the first building permit was issued for Bay Ridges. By now its population exceeds five thousand and a further substantial increase is in process as a consequence of the reduced down payments recently established by Central Mortgage and Housing Corporation for winter house construction.

Here is another example. For several years, a large-scale urban development has been in prospect in the South Credit Valley within Toronto Township. As originally planned, it was expected to create an urban community of perhaps 85,000 within a span of ten years. For a variety of reasons, the South Credit Valley undertakings have been held up. At latest report, only part of the total anticipated development had been authorized. Four years after the developers appeared ready to proceed no actual construction has yet taken place.

The first draft of the official plan of Metropolitan Toronto acknowledged the uncertainty as to the urban development in the South Credit Valley area both on the land use plan and in the supporting narrative. In doing so, recognition was being given to the fact that land use developments today must more than at any earlier time be the result of mutually satisfactory decisions of the public authorities and large-scale private developers.

The same point is underscored by the Canadian National Railways by-pass route. The decision taken by the railway and modified to satisfy the municipal planning authorities has greatly altered prospects for urban development over a wide front.

One further illustration will be offered of the difficulty of predicting the location, nature, extent and timing of urban developments. In the Township of Pickering, sizeable blocks of suitable industrial land have long since been set aside for industry. Much of the land has actually been purchased by or on behalf of industrialists. One large holding in an excellent location has been owned by Canadian General Electric for a full fifteen years. Even now it is not known whether a plant will ever be constructed on the site.

THE CITY'S POSITION

The factors to be considered in fixing a suitable outer boundary for an enlarged city have been reviewed in some detail in order to make plain the complexity of the problem. Yet several points do emerge.

1. It is plainly impossible to arrive at an incontestable decision as to the appropriate outer boundary for an amalgamated city.
2. Nothing less than the present limits of the Municipality of Metropolitan Toronto will suffice in light of the substantial beachhead of common government and administration which has been established.
3. On the west, whatever line is adopted must represent to a very considerable extent an arbitrary cut-off point.
4. Any westerly extension from the present boundary must be worked out in relation to the development of a satisfactory and viable pattern of urban government in the territories beyond.

5. Specifically, the inclusion of Malton within Toronto would not be warranted if it meant the imposition of tax hardship on Toronto Township.
6. The question of Pickering Township's future poses a serious problem for its people and involves broader issues than the commuter relationship with Toronto. If it can be shown that annexation to Toronto of the southwest portion of the Township is an element of the best solution to the Township's problems Toronto should be prepared to accept the responsibility.
7. In due course, an amalgamated city must anticipate a further enlargement to the north. This development should probably be postponed, provided it is not in reality being abandoned. Before any such annexation takes place, provision will have to be made to safeguard the future of York County.

CHAPTER IX

THE FINANCIAL CONSEQUENCES OF AMALGAMATION

PRESENT TAX STRENGTH OF AREA MUNICIPALITIES

Before launching into an exploration of the financial effects of merger, the matter will be put in better perspective by appraising the present tax strength of the thirteen area municipalities. If, in some way, their present differences can be measured even approximately, the financial consequences of the change this City advocates can likewise be estimated more accurately.

To begin, we present a table of actual mill rates for the various municipalities. This tells us what weight of taxation did apply in each but does not reveal how onerous the taxation was as between one municipality and another.

The table of mill rates requires two points of explanation:

1. the rates are for areas enjoying full urban services and do not reveal differences in rates in some suburbs where area charges apply;
2. the rates reflect the existence in the City of Toronto and the Town of New Toronto of partial graded exemptions applicable only to the expenditures for general purpose other than welfare (i.e. education and welfare are excluded).

With reference to those areas obtaining less than full urban services, we add this footnote. The City would expect that, following amalgamation, differential mill rates would remain in effect for the purpose of recognizing the reduced benefits provided to partially serviced outer areas and that, to accomplish this result (a) full advantage would be taken of applicable provisions in general legislation and, (b) this would be supplemented by special legislation for which there is precedent with respect to Burlington, Oakville and Niagara Falls. In this way, the continuing rural and semi-urban uses of land within an enlarged city could be adequately acknowledged for tax purposes.

1963 MILL RATES IN THE THIRTEEN AREA MUNICIPALITIES

	<i>Residential</i>		<i>Commercial</i>	
	<i>Public School</i>	<i>Separate School</i>	<i>Public School</i>	<i>Separate School</i>
Toronto	65.2	65.2	72.59	72.59
Scarborough	63.9	63.68	71.96	71.71
York	59.6	58.33	66.65	65.22
East York	58.0	56.5	64.84	63.56
Weston	56.405	60.095	62.835	66.945
North York	55.64	53.98	64.05	62.2
Long Branch	55.6	58.48	61.91	65.1
Mimico	54.0	54.0	60.5228	60.5228
Forest Hill	52.9	53.8	59.886	61.086
Etobicoke	52.7	54.65	60.0	62.17
New Toronto	51.7894	55.0664	57.152	60.792
Swansea	48.48	51.81	54.76	58.46
Leaside	46.43	48.94	53.18	55.99

For one reason or another, the effect of these mill rates may be an actual weight of tax burden which is somewhat different from the comparative scaling of rates shown in the table.

Indeed, the present differences can very largely be explained in the following five ways:

- 1) differences in the overall tax strength within each municipality,
- 2) differences in the quality and extent of the municipal services furnished to the citizens and taxpayers of each municipality,
- 3) differences in administrative efficiency, resulting in greater or less value for the dollar on expenditures,
- 4) differences in the share of the financial burden or service benefits which an area municipality is called upon to furnish for the general advantage of the inhabitants of greater Toronto,
- 5) differences in the rates of grants paid out by the Province.

Other things being equal, we should expect the mill rates in the area municipalities to vary inversely to tax strength. To the extent that this is not so, one or more of the other four factors must apply. The municipality whose rate is abnormally high must be

- providing above average services
- contributing more than its fair share to the benefit of the greater area
- administering inefficiently, or
- suffering on provincial grants.

The municipality whose rate is abnormally low must, on balance, be in the reverse position.

Part of the evidence of taxable capacity is the per capita strength of the residential assessment. Plainly one municipality whose residential assessments average \$3,000 per capita is better off than another where they run to \$1,500 or less. What is more, the municipality with the lower per capita average probably contains families who place greater demands upon the public services than is the case in the municipality with the higher average.

The other evidence of taxable capacity is the amount of “commercial” assessment. Including the supplementary business assessments, it provides a base for taxation which yields a surplus to the municipal treasury for the support of residential services; and the effect of our split mill rate is to make commercial assessments even more sought after.

To show the position, we repeat the 1962 per capita residential assessments which were presented earlier in this report and couple with them per capita figures on commercial assessments.

1962 ASSESSMENTS PER CAPITA

<i>Residential Properties</i>		<i>Commercial Properties</i>	
\$		\$	
Forest Hill	3,156.27	New Toronto	2,547.59
Leaside	2,077.77	Leaside	1,970.40
Swansea	1,936.46	CITY OF TORONTO	1,844.95
Etobicoke	1,803.43	Etobicoke	1,265.50
North York	1,800.76	METRO AVERAGE	1,222.97
Weston	1,545.36	Weston	1,121.00
Mimico	1,502.23	North York	801.85
METRO AVERAGE	1,420.78	Scarborough	634.08
East York	1,406.18	Long Branch	630.87
Scarborough	1,347.26	Swansea	587.25
York	1,249.94	York	565.17
Long Branch	1,184.87	Mimico	475.17
New Toronto	1,147.96	East York	412.08
CITY OF TORONTO	1,142.66	Forest Hill	307.01

On the average, it would appear that somewhere between half and two-thirds of commercial taxation is available to support the residential service requirements after meeting the immediate costs of services of benefit to the commercial properties themselves including a fair share of overhead.

The following tabulation furnishes an approximate indication of the comparative tax strength of each area municipality worked out on the two bases — a fifty per cent and a 66⅔ per cent portion of commercial assessments — and translated to an index form. It would seem that the comparative tax strength of the thirteen municipalities lies somewhere between the relationships shown by adopting each of the two assumptions.

INDICATED COMPARATIVE TAX STRENGTH OF AREA MUNICIPALITIES

(Expressed in Index Figures With Metro Average Equalling 100)

<i>On the Basis of Residential Plus ½ Commercial Assessment Per Capita</i>		<i>On the Basis of Residential Plus ⅔ Commercial Assessment Per Capita</i>	
Forest Hill	162.9	Leaside	151.7
Leaside	150.7	Forest Hill	150.3
Etobicoke	119.9	New Toronto	127.3
New Toronto	119.2	Etobicoke	118.4
Swansea	109.7	CITY OF TORONTO	106.1
North York	108.3	North York	104.4
Weston	103.6	Swansea	104.1
CITY OF TORONTO	101.6	Weston	102.5
METRO AVERAGE	100.0	METRO AVERAGE	100.0
Mimico	85.6	Mimico	81.3
Scarborough	81.9	Scarborough	79.1
East York	79.3	East York	75.2
York	75.4	York	72.7
Long Branch	73.8	Long Branch	71.8

A municipality with more than average tax strength can provide a normal complement of local government services with a lighter than average mill rate. Thus we would expect that

Forest Hill, Leaside, New Toronto and Etobicoke could operate with below average mill rates. However, for one reason or another a municipality may tax more heavily than would be needed to provide an average complement of services. Or again the reverse may be true.

By comparing the indicated tax strength of each area municipality and the mill rate it imposes, it is possible to estimate which municipalities are today taxing more heavily than would be needed to meet normal service requirements and which municipalities are in the converse position.

On this theoretical analysis, the situation would appear to be approximately as follows:

Weight of Tax in Relation to Indicated Tax Strength

High Tax Level	City of Toronto Forest Hill North York and Scarborough Weston
Middle Position	Etobicoke Leaside and New Toronto East York and York Mimico Swansea
Low Tax Level	Long Branch

In the case of Forest Hill, that municipality can afford to impose heavier than average taxes because its people are well to do and its tax strength is substantial. Consequently, Forest Hill has been able to maintain certain services at better than average levels, notably education.

Again, we suggest as one reason for the particularly heavy taxation in Scarborough and in North York is that these two municipalities have been experiencing the fastest rates of residential growth among the area municipalities with all the attendant costs.

One probable explanation of the City's position is the responsibility it has had to spend money for purposes of wider benefit than the needs of its own residents and taxpayers.

CALCULATING THE TAX EFFECTS

Ordinarily, Ontario cities seek to enlarge their boundaries through an application to the Ontario Municipal Board which brings on a hearing of the various interested parties. The hearing becomes an adversary process in which the arguments in favour of the change are put forward and defended by the applicant municipality or municipalities and challenged in turn by any respondent municipalities.

Under such conditions, considerable emphasis is placed upon an effort to determine the precise effect of the proposed change upon taxpayers in all affected jurisdictions. Calculations must, nevertheless, be somewhat theoretical; for no one can predict with certainty what the financial position will be one or several years hence. Only the councils and school boards which are then in authority can finalize the annual estimates and set the mill rates. A further point is that an applicant is clearly tempted to minimize the unfavourable financial repercussions of a sought-for change whereas a respondent must be inclined to make the most of any difficulties.

The constructive value of exploring the financial consequences of boundary changes is:

- 1) to foresee and avoid extreme changes which are unwarranted, and
- 2) to put oneself in the position of being able to offer taxpayers some reassurances as to their future situation.

The elements of the customary financial analysis include:

1. The translation of the assessments in the various municipalities and part municipalities concerned to a common basis in order to facilitate comparisons.
2. Calculation of the changes in the net cost of municipal services which result directly or indirectly from the merging or partitioning of municipalities.
3. An estimate of the effect of boundary changes upon the anticipated receipt of grant monies from the Province.
4. The calculation of the effect of all these items on the actual tax rates.

The tax changes which are determined in this manner have usually to be worked out for a number of different taxing jurisdictions. In addition to producing figures on the basis of the latest actual revenues and expenditures, it is customary to prepare a forecast of the effects five or ten years hence. Finally, some account is ordinarily taken of changes in hydro and water rates and other charges, including some prediction of what will happen with respect to special area charges and local improvement levies.

THE CITY OF TORONTO'S APPROACH

The position in which we find ourselves in approaching these questions is a little different from the usual case. Facts peculiar to the Toronto situation include:

1. For a full ten years, the thirteen municipalities with which we are concerned have been assessed for tax purposes on a uniform basis. Aside from the difference due to partial exemptions and area charges, the basis of comparison is already straightforward.
2. A considerable proportion of the current financial operations of the area municipalities is already on a common footing as revenues and expenditures of the Municipality of Metropolitan Toronto. Furthermore, changes occur every year which affect the relative tax positions of the various area municipalities. In illustration, the assumption by Metro of increased financial responsibility in the fields of welfare and education will have considerable repercussions upon future budgets.
3. The report by the Ontario Department of Economics in November, 1961, undertook to calculate the financial effects of amalgamation upon the municipalities concerned and to translate it into tax terms.

TAX COMPARISONS BASED ON COMBINING EXISTING EXPENDITURES

Adopting a similar approach to that taken by the Ontario Department of Economics, statements have been prepared by the City Finance Commissioner to show the effects upon the mill rates in each area municipality of combining existing expenditures which would be a central result of amalgamation. The figures are based upon actual expenditures in 1962, three years later than the Economics Department analysis.

In producing new figures, the City has expressed the results in actual mill rates, although we recognize of course that the information is at variance to some extent from what would actually have been the case.

Some specific points should also be noted:

1. Tax-equivalent charges against municipal utilities have been eliminated on the grounds that they are not proper tax levies.

2. In the Townships of Scarborough, East York, North York and Etobicoke the costs of certain services are not met by a uniform levy against all taxable properties. Through the use of area charges, those areas enjoying less than standard services are granted some reduction in tax levies. For this analysis, the problem was resolved by deeming such expenditures to have been met through municipal-wide levies, resulting in some distortion of the actual mill rates levied in the municipalities concerned and in the adjusted "amalgamated" mill rates.
3. For purposes of comparison, figures have been presented to show the alternative results of abandoning the partial graded exemption following amalgamation and of retaining it within those areas where it now applies.

In order to provide a full breakdown of levies and mill rates, it has been necessary to present the information in a three-part statement numbered as Tables IV-A, IV-B and IV-C.

The analysis for 1962 underlines a point which has been stressed already: two municipalities, the Township of Scarborough and the City of Toronto would be the sole beneficiaries of the averaging of municipal tax levies throughout the present metropolitan area because by comparison, they are the municipalities in which property holders are most heavily taxed.

The similar positions of Scarborough and the City have come about by diametrically opposed sets of circumstances, however. In Toronto's case, the City has had to meet from the outset of the metropolitan form of government a major portion of the current costs of supplying extended services to the suburban municipalities. This has been expected of the City despite its mammoth contributions of capital assets and its buttressing credit rating. Scarborough, for its part, has continued to be afflicted by an unbalanced and insufficient assessment base which ten years of subsidization through the metropolitan system has not been successful in overcoming.

A further point of note is that the overall effect of eliminating the partial graded exemptions from the present City of Toronto and the present Town of New Toronto would not be substantial. All "commercial" taxpayers would gain some benefit but not, of course, all homeowners.

From the Finance Commissioners' analysis it would appear that part of the adjustment to be anticipated would result from existing anomalies in the calculation of the residential and commercial mill rates which ought to be corrected, apart altogether from the amalgamation issue.

Finally, it should be recognized that amalgamation would involve different conditions from the actual expenditures in 1962 and different adjustments from the mechanical pooling of expenditures shown in this tabulation.

TABLE IV - A
COMPARISON OF TAX LEVIES FOR 1962
METROPOLITAN TORONTO AREA MUNICIPALITIES

(In Thousands of Dollars — Figures May Not Add Because of Rounding)

	Total \$'000	City of Toronto \$'000	Leaside \$'000	Mimico \$'000	New Toronto \$'000	Weston \$'000	Forest Hill \$'000	Long Branch \$'000	Swan- sea \$'000	North York \$'000	Scar- borough \$'000	Etobi- coke \$'000	York Twp. \$'000	East York \$'000
<i>Commercial</i>														
Actual														
General Purposes	62,677	42,201	857	236	885	378	182	216	153	5,294	4,297	5,018	2,190	772
Public Schools	30,644	19,465	491	108	451	157	107	98	76	3,272	1,970	2,777	1,199	471
Secondary Schools	16,104	9,553	265	58	230	75	70	49	46	1,984	1,373	1,566	610	226
	109,425	71,219	1,612	402	1,567	610	359	363	275	10,550	7,640	9,361	3,999	1,469
Amalgamated — Retaining Partial Exemptions														
General Purposes	59,886	37,211	1,220	264	1,046	369	223	225	180	6,078	3,986	5,931	2,305	848
Public Schools	30,709	19,170	619	126	548	191	115	116	94	3,105	2,007	3,024	1,162	433
Secondary Schools	16,631	10,334	339	73	291	102	62	63	50	1,688	1,107	1,647	640	235
	107,226	66,716	2,178	464	1,884	662	400	404	323	10,871	7,100	10,602	4,107	1,516
Amalgamated — Eliminating Partial Exemptions														
General Purposes	59,147	36,753	1,205	261	1,033	364	220	222	177	6,003	3,937	5,858	2,276	837
Public Schools	30,709	19,170	619	126	548	191	115	116	94	3,105	2,007	3,024	1,162	433
Secondary Schools	16,631	10,334	339	73	291	102	62	63	50	1,688	1,107	1,647	640	235
	106,487	66,257	2,163	461	1,871	658	397	401	321	10,796	7,051	10,529	4,078	1,505
<i>Residential</i>														
Actual														
General Purposes	69,083	26,862	865	719	334	459	1,576	400	480	12,333	9,749	7,777	4,719	2,812
Public Schools	34,912	11,979	550	312	162	184	945	169	232	7,700	4,431	4,134	2,500	1,613
Secondary Schools	23,366	7,253	319	199	105	101	706	102	166	5,563	3,660	2,775	1,484	933
	127,361	46,093	1,734	1,230	601	745	3,227	671	878	25,596	17,841	14,685	8,703	5,357
Amalgamated — Retaining Partial Exemptions														
General Purposes	71,875	23,702	1,313	817	390	447	1,995	418	575	15,219	9,490	9,380	5,007	3,121
Public Schools	34,847	11,797	653	363	196	224	1,017	200	286	7,303	4,511	4,500	2,314	1,483
Secondary Schools	22,839	7,846	408	254	133	139	621	130	179	4,733	2,951	2,917	1,557	971
	129,560	43,345	2,375	1,434	719	810	3,633	748	1,039	27,256	16,952	16,796	8,879	5,574
Amalgamated — Eliminating Partial Exemptions														
General Purposes	72,613	24,946	1,298	808	423	441	1,973	413	568	15,048	9,383	9,274	4,951	3,086
Public Schools	34,847	11,797	653	363	196	224	1,017	200	286	7,303	4,511	4,500	2,314	1,483
Secondary Schools	22,839	7,846	408	254	133	139	621	130	179	4,733	2,951	2,917	1,557	971
	130,299	44,589	2,360	1,425	751	805	3,611	743	1,033	27,084	16,846	16,691	8,822	5,539

Source: City of Toronto Finance Department.

TABLE IV - B
SUMMARY COMPARISON OF TAX LEVIES FOR 1962
METROPOLITAN TORONTO AREA MUNICIPALITIES

(In Thousands of Dollars)

	<i>Actual Levy</i>	<i>Amalgamated (Retaining Partial Exemptions)</i>	<i>Amalgamated (Eliminating Partial Exemptions)</i>	<i>Effect of Change Amalgamated With Partial Exemptions</i>	<i>Effect of Change Amalgamated No Partial Exemptions</i>
	\$'000	\$'000	\$'000	\$'000	\$'000
City of Toronto.....	117,312	110,061	110,846	Dec. 7,251	Dec. 6,466
Leaside	3,347	4,553	4,523	Inc. 1,206	Inc. 1,176
Mimico	1,632	1,898	1,886	Inc. 266	Inc. 253
New Toronto	2,167	2,603	2,623	Inc. 436	Inc. 455
Weston	1,354	1,472	1,462	Inc. 118	Inc. 108
Forest Hill	3,586	4,033	4,008	Inc. 447	Inc. 422
Long Branch	1,034	1,151	1,144	Inc. 118	Inc. 110
Swansea	1,154	1,362	1,354	Inc. 209	Inc. 200
North York	36,146	38,126	37,880	Inc. 1,980	Inc. 1,734
Scarborough	25,481	24,052	23,896	Dec. 1,428	Dec. 1,584
Etobicoke	24,047	27,399	27,220	Inc. 3,352	Inc. 3,173
York Township	12,702	12,985	12,900	Inc. 284	Inc. 199
East York	6,826	7,090	7,044	Inc. 264	Inc. 218
Total	236,786	236,786	236,786		

Source: City of Toronto Finance Department.

TABLE IV-C

COMPARISON OF MILL RATES FOR 1962

MEROPOLITAN TORONTO AREA MUNICIPALITIES

	<i>General Purposes</i>	<i>Commercial Taxpayers</i>			<i>Total</i>	<i>Residential Taxpayers</i>			<i>Total</i>
		<i>Public Schools</i>	<i>Secondary Schools</i>	<i>Purposes</i>		<i>Public Schools</i>	<i>Secondary Schools</i>	<i>Purposes</i>	
<i>Actual</i>									
City of Toronto --	40.20	18.95	9.10	35.750	68.25	17.055	9.100	17.055	61.905
Leaside -----	24.90	14.78	7.70	20.85	47.38	14.14	7.70	14.14	42.69
Mimico -----	31.6902	16.0277	7.7110	27.8642	55.5289	14.4248	7.7110	14.4248	50.0000
New Toronto ----	30.000	15.387	7.787	27.100	53.174	13.850	7.787	13.850	48.737
Weston -----	36.303	15.373	7.170	32.494	58.846	13.836	7.170	13.836	53.500
Forest Hill ----	28.919	17.300	11.200	25.000	57.419	15.600	11.200	15.600	51.800
Long Branch ----	33.98	15.82	7.69	30.28	57.49	14.23	7.69	14.23	52.20
Swansea -----	30.19	15.18	9.15	26.41	54.52	13.66	9.15	13.66	49.22
North York ----	30.87	19.67	11.57	25.65	62.11	17.71	11.57	17.71	54.93
Scarborough ---	38.21	18.32	12.21	32.52	68.74	16.49	12.21	16.49	61.22
Etobicoke -----	29.99	17.14	9.36	26.25	56.49	15.43	9.36	15.43	51.04
York Township --	33.68	19.26	9.38	29.83	62.32	18.15	9.38	18.15	57.36
East York -----	32.26	20.30	9.46	28.52	62.02	18.27	9.46	18.27	56.23
<i>Amalgamated</i>									
Retaining Partial Exemptions --	35.4474	18.6624	9.8444	31.6558	63.9542	16.7962	9.8444	16.7962	58.2964
Eliminating Partial Exemptions ---	35.0103	18.6624	9.8444	31.2994	63.5171	16.7962	9.8444	16.7962	57.9400

Source: City of Toronto Finance Department.

A BUDGET FOR AN AMALGAMATED MUNICIPALITY BASED ON 1962 OPERATIONS

The City of Toronto has undertaken to carry its analysis of the effects of amalgamation one stage further. We have endeavoured to estimate the possible savings and the inevitable added costs for improvements in services which amalgamation would produce, leaving aside any extraordinary transition costs.

To explain the City's calculations, we make one further reference to the Economics Department's report. In one respect it differed sharply from the usual presentation to the Municipal Board: it gave no consideration to the anticipated changes in service levels or in costs of administration resulting from amalgamation.

What such changes can amount to will be evident from two illustrations:

1. We have come to the conclusion that very sizeable savings should result from the consolidation of the fourteen clerks departments even allowing for desirable district offices. The dollar saving should run into the hundreds of thousands.
2. The Chief of the Toronto Fire Department has expressed his strong conviction that, on amalgamation, no time must be lost in replacing volunteers by full-time firemen. It will mean a sizeable additional expense.

THE ESTIMATED POSITION

The City of Toronto has completed an extensive review of the financial implications of amalgamation. The work has been based on the 1962 audited financial statements as filed with the Department of Municipal Affairs. Data have been assembled and reviewed with the co-operation and assistance of all civic departments and with the very considerable help of Metropolitan and suburban treasury officials.

The City's objective has been to review the position other than for school purposes in order to ascertain the lowest mill rate which might be possible following amalgamation assuming full advantage could be taken of administrative savings and that minimum necessary increases in services would be put into effect. Nothing has been allowed for extraordinary costs of transition which would be only temporary.

The calculation is based upon elimination of the partial graded exemption since this course is more probable than the retention and possible extension of the arrangement to those suburban areas where it is not now in use.

On the above basis, we present first our general conclusion which is supported by the estimated position set out in Table V. The conclusion is then followed by a further detailed explanation of the assumptions that had to be made in reaching it.

Based upon the compilation of estimated revenues and expenditures the required mill rates for general purposes would be:

Commercial:	36.6 mills
Residential:	32.8 mills

TABLE V

BUDGET FOR GENERAL PURPOSES FOR AN AMALGAMATED MUNICIPALITY
PRESUMING MINIMUM ADJUSTMENT IN RANGE AND EXTENT OF SERVICES TO
PUBLIC

(Based Upon 1962 Actual, Excluding Education)

<i>Service</i>	<i>Cost</i>	
	\$	\$
Legislative and Administrative		16,725,000
Protection to Persons and Property		
Buildings Department	1,900,000	
Fire Department	13,800,000	
Canine Control	215,000	
Traffic Safety Council	45,000	
Emergency Measures Organization	515,000	
Life Saving	310,000	
Courts	4,275,000	
Licensing Commission	340,000	
Police Department	17,740,000	
		39,140,000
Parks and Recreation		11,000,000
Public Health		5,050,000
Public Welfare		26,500,000
Public Works — Regular	45,250,000	
— Share of Cost of Suburban Roads	470,000	
		45,720,000
Public Libraries		5,000,000
Conservation		620,000
Reserves for Tax Losses, etc.		3,110,000
Debt Charges		
On Debentures	95,140,000	
On Bank Loans	1,100,000	
		96,240,000
Capital Expenditures out of Revenue		
Subway	8,345,000	
Others	945,000	
		9,290,000
Sundry		
Maintenance of Properties	5,500,000	
Historical Board	70,000	
Housing and Institutional Deficits	315,000	
Housing Registry	5,000	
Winter Fair Association	60,000	
Registry and Land Titles Offices	50,000	
Miscellaneous	170,000	
		6,170,000
		264,565,000
<i>Less</i>		
Revenue, other than taxation		
Provincial and Federal Grants, etc.	37,415,000	
Debt Charges recoverable	62,265,000	
Sundry	26,885,000	
		126,565,000
Tax Levy, excluding education		138,000,000

Required Mill Rates for General Purposes: Commercial 36.6 Residential 32.8

Source: City of Toronto Finance Department

These tax rates give effect to the anticipated economies resulting from amalgamation and the additional expenditures which are deemed necessary to eliminate differences in service standards that could not be tolerated within an amalgamated municipality.

The significance of these mill rates is revealed by comparing them with the actual 1962 mill rates for general purposes as set out in Table IV-C.

It is interesting also to compare these budget mill rates with the rates arrived at by a mere summation of actual expenditures. Assuming the elimination of the partial graded exemption, it would require an addition to the *average* commercial tax rate of only 1.6 mills and to the *average* residential rate of about 1.5 mills to obtain the benefits of amalgamation.

Finally, we consider the school tax position. Here the summation and averaging of expenditures produced an increase in the City's commercial taxpayers' rate from the 1962 actual of 28.05 mills to an "amalgamated" rate of 28.51 mills. The change in the residential rate was of similar proportions — from 26.16 mills to 26.64 mills.

If these changes were to apply, the combined budgetary rate would be:

Commercial: 65.11 mills, compared with 68.25 mills, 1962 actual for City taxpayers

Residential: 59.44 mills, compared with 61.91 mills, 1962 actual for City taxpayers.

There is thus an available cushion of over three mills commercial and approximately two and one-half mills residential to cover increases in essential school spending over and above those which can be paid for through the administrative economies of merger. We conclude therefore that, while the development of the current school budget lies beyond the City's immediate area of responsibility, it ought to be quite possible to achieve some reduction from the existing level of City taxation at the time as a consequence of amalgamation.

POOLING SCHOOL COSTS

The pooling of a major proportion of educational costs has been an important feature of metropolitan federation. Under Metro, most provincial grants are received by the Metropolitan School Board and the local school costs are supported by maintenance assistance payments through funds obtained from this source and from the Metropolitan school levy.

The Metropolitan School Board has been keeping a record of the financial implications of metropolitan pooling and, indeed, has already submitted the results to the Royal Commission on Metropolitan Toronto, expressed in mill rate terms. We present the same information in thousands of dollars as Table VI.

As Table VI shows, the taxpayers of Toronto have been called upon to make a substantial annual contribution in support of suburban school services throughout the past ten years. More significant, the amount has been growing greatly: in each of the first three years, the amount was below two million dollars; in 1962, it exceeded \$6½ million. A proposal in 1964 to increase these "equalization" payments still further can push the City's annual subsidization of its neighbours to some \$10 million.

The metropolitan system of school finance has, of course, enhanced the schooling available to suburban children. In large part, however, it has done so by imposing an unfair burden upon the homeowners of the City of Toronto, owners whose homes average the lowest assessed value in the entire area. A similar excessive tax load is placed upon Toronto's small shopkeepers and its remaining taxpayers.

On school services alone, the City of Toronto with an established school plant is support-

TABLE VI

GAIN OR LOSS OF EACH AREA BOARD OF EDUCATION WHEN OPERATING COSTS UNDER THE METROPOLITAN SCHOOL BOARD ARE COMPARED WITH THE OPERATING COSTS IF THE AREA BOARDS MET THEIR EXPENSES WITHOUT METROPOLITAN SUPPORT

(In Thousands of Dollars)											
	Total		1954	1955	1956	1957	1958	1959	1960	1961	1962
	Gain \$'000	Loss \$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
East York	3,183		301	438	499	465	521	222	287	200	250
Etobicoke	1,670		185	(18)	5	161	36	275	22	551	453
Forest Hill		837	46	41	42	(3)	(36)	(196)	(194)	(227)	(310)
Lakeshore	82		132	73	97	75	61	(102)	(127)	(54)	(73)
Leaside		1,467	34	(46)	(36)	(80)	(127)	(244)	(262)	(293)	(413)
North York	6,508		463	367	406	912	657	491	324	1,272	1,616
Scarborough	10,476		361	93	347	940	1,413	1,040	1,486	2,089	2,707
Swansea		651	(20)	(24)	(56)	(59)	(23)	(98)	(92)	(141)	(138)
CITY OF TORONTO		33,755	(1,987)	(1,547)	(1,979)	(3,042)	(3,296)	(5,176)	(5,021)	(5,116)	(6,591)
Weston	931		111	114	128	121	142	88	86	73	68
York Township	4,562		374	509	547	510	652	438	503	510	519

NOTE: Brackets denote losses, i.e., net contributions to the Metropolitan educational financing arrangements.

Source: Metropolitan School Board.

ing the Metro system by accepting a heavier actual school tax burden than seven suburban municipalities. The 1963 school mill rate position of residential taxpayers was as follows:

1963 SCHOOL MILL RATES RESIDENTIAL PUBLIC SCHOOL SUPPORTERS

Scarborough	28.63
North York	28.62
York Township	27.85
East York	27.75
Forest Hill	26.80
CITY OF TORONTO	26.78
Etobicoke	25.19
Weston	23.29
Lakeshore	22.99
Leaside	22.78
Swansea	21.51

Source: Metropolitan School Board.

Going a step further, this City's unfair school cost burden is a major cause of its present position as the most heavily taxed of all the thirteen area municipalities.

DISTRIBUTION OF UNCONDITIONAL GRANT REVENUES

Concurrent with the announcement of legislation to establish a metropolitan federation, the Province of Ontario announced a new plan of unconditional per capita grants intended primarily to assist municipalities in meeting their administration of justice, public welfare and other social service costs. For the Toronto area, the grant was made payable to the Municipality of Metropolitan Toronto.

Such a plan would have been logical enough, if the money was to be used as other metropolitan revenues to defray part of the burden of metropolitan expenditures. But the arrangement that has applied since 1957, under which the grant revenues are distributed on the basis of residential assessment, means that the City of Toronto is, through the grant, making a further contribution to metropolitan operations beyond its tax support for pooled services. The position is set out in Table VII. As the statement shows, the total undercredit received by the City from 1957 to 1962 inclusive was very little short of \$6 million.

The form of distribution of the unconditional per capita grant would appear to constitute an unintentionally severe hardship upon one class of taxpayers alone, the homeowners of Toronto.

PARTIAL GRADED EXEMPTIONS

One of the consequences of amalgamation would be the necessary reconsideration of the partial graded exemption which both the City of Toronto and the Town of New Toronto grant to single family dwellings below a specified assessed value.

In Toronto's case, the legislation has been in effect since 1921. It applies now to the assessment of the dwelling only without regard to the assessed value of land and other structures such, for example, as garages. As Table VIII shows, the exemption is limited to living accommodation assessed at or below \$4,000. Some 62,000 properties are affected and among the five categories of exemptions, the largest average saving in 1963 was less than \$33.00.

In 1955, the Province of Ontario revoked the general legislation which authorized partial exemption by-laws. In so doing, it indicated its dislike for this form of by-law while permitting

TABLE VII

EFFECT OF DISTRIBUTION THROUGH THE METROPOLITAN CORPORATION
OF THE PROVINCIAL UNCONDITIONAL PER CAPITA GRANT

(In Thousands of Dollars)

Year	City of Toronto \$'000	North York \$'000	Etobi- coke \$'000	Scar- borough \$'000	York Twp. \$'000	East York \$'000	Leaside \$'000	Forest Hill \$'000	New Toronto \$'000	Mim- ico \$'000	Wes- ton \$'000	Swan- sea \$'000	Long Branch \$'000
1962													
Amount of credit if this grant had been distri- buted in same manner as Metro's expenditures and all other revenue -----	4,029	1,408	978	879	462	253	158	143	90	69	51	48	40
Actual Credit -----	2,947	1,812	1,096	1,105	585	364	153	233	50	95	52	67	49
Overcredit -----		403	118	226	122	111		90		27	1	19	8
Undercredit -----	1,081						5		40				
1957 Overcredit -----		1,662	658	1,026	594	517		412		103	5	90	36
to													
1961 Undercredit -----	4,874						34		194				
1957 Total Overcredit -----		2,065	776	1,252	716	628		502		129	6	110	44
to													
1962 Total Undercredit -----	5,955						39		234				

Source: City of Toronto Finance Department.

TABLE VIII
FREQUENCY DISTRIBUTION OF DWELLING HOUSE
EXEMPTION PARTICIPATION

1962 Assessment for 1963 Taxes

<i>Extent of Exemption</i>	<i>Assessed Value to Qualify \$</i>	<i>No. of Properties</i>	<i>Per Cent of Total %</i>	<i>Total Exemption \$</i>	<i>Average Exemption \$</i>	<i>Average Tax Reduction \$</i>
10%	3,501 to 4,000	7,346	11.9	2,766,031	377	13.39
20%	3,001 to 3,500	13,142	21.2	8,563,972	652	23.16
30%	2,501 to 3,000	16,872	27.3	14,191,239	841	29.87
40%	2,001 to 2,500	10,741	17.3	9,910,266	923	32.78
50%	up to 2,000	13,829	22.3	10,544,400	762	27.07
Total		61,930	100.0	45,975,908	742	26.36

Source: City of Toronto Finance Department.

the two municipalities where the partial exemption existed to continue the arrangement so long as their respective governing by-laws remained in force.

In general terms, the partial graded exemption seeks to alleviate the lot of particular realty taxpayers in a similar way to those proposed by the City of Winnipeg for the consideration of its Commission on Municipal Taxation which reported in February, 1958. Since the Commissioner for this present inquiry was also sole Commissioner of the Winnipeg inquiry there is little need to elaborate.

The position appears to be as follows: if the partial graded exemption can be accepted upon review as furnishing a sound means of tax relief to particular taxpayers in accordance with the majority wishes of the municipal and provincial bodies concerned, the exemption should be retained and, in all probability, extended throughout the remainder of the amalgamated municipality. If on the other hand, this form of tax advantage does not meet such a test, it should be terminated, perhaps in stages.

FURTHER EXPLANATION

The estimate of the tax implications of amalgamation began with the 1962 actual revenues and expenditures. Figures were extracted from the audits and further supporting detail was obtained from municipal officials. Year-end surpluses and deficits were eliminated. Inter-municipal transactions which served only to inflate revenues and expenditures were deducted. Extraordinary non-recurring revenues and expenditures arising out of the compensation paid in 1962 to York County in relation to the earlier formation of Metro were dropped.

The calculations as to the cost of operating the various services were developed with the help of the departmental officials concerned. They did not of course have complete knowledge of present suburban operations. This problem was met in two ways: the figures were examined to ensure that the amount included was one which seemed reasonable for a municipality of greater Toronto's size and character; where there was insufficient knowledge to change totals otherwise, no change was made.

The differing operational arrangements between the City and other area municipalities and among the suburbs themselves results in different accounting treatment in the various audited and supporting financial statements. Where such costs as office accommodation are recorded centrally in Toronto, the equivalent items are spread through the departmental expenditures in suburban accounting. Where administrative functions relating to a service like welfare are handled in an administrative department like the clerk's, it may not be possible to classify expenditures in a comparable manner.

In view of the limitations on accuracy which would apply to the breakdown presentation of revenues and expenditures, it was decided not to include any tabular statement.

One assumption was made which is not in accord with Toronto's expectations. Our calculations were based on the hypothesis that no part of the administration would be carrying surplus personnel or maintaining employees in positions for which they were not entirely fitted. We realize that some such problems will arise and that the employees concerned must be granted every reasonable protection. It did not seem sensible to attempt to convert such a guarantee into a dollars and cents cost.

We have accepted the general line of reasoning advanced in the Department of Economics study which led them to make no allowance for changes in grants from the Province.

In considering the subject of grants, attention should be drawn to the position of health grants in Ontario. In order to encourage the establishment of larger units which would thereby

be in a position to offer improved public health services, the Province has for some years been paying grants to the municipalities which participate in a health unit. The payments vary according to municipal status and population. Parts of two or more municipalities must be joined to form a health unit and to qualify for health unit grants. Thus among Metro municipalities East York and Leaside alone receive health unit grants. If these two municipalities are brought into an enlarged city, the health unit grants will disappear, although the number of persons served by a single health department will be very much greater and the standards of service will be improved. Based on present rates, an enlarged City of Toronto could qualify for more than a million dollars in health grants if accorded health unit status.

UTILITY RATES

Comparisons of utility rate levels among the area municipalities are difficult because of the substantially different methods of charging which can and do exist from one local utility to another. Again, it is only possible to indicate the position in general terms.

What may be expected to happen with respect to electric rates has already been set out in the review of that particular service. Rate levels among the various electric systems are really quite close together and most of the adjustments to make them uniform would be easily accomplished.

Commencing with the year 1959, uniform rates were put into effect by the Metropolitan Council covering the sale of water to the area municipalities. No reduction was provided for quantity consumption. Adoption of this policy removed the advantages formerly enjoyed by the City of Toronto, the Town of New Toronto and the three large townships. We find, however, that there are sharper differences today in the local water rates, accounted for in part by the removal of the quantity reductions from North York, Scarborough and Etobicoke.

The considerable difficulty in making accurate rate comparisons should be indicated before undertaking to describe the position. The City of Toronto and the Town of New Toronto do not in general have their domestic customers on meters. The City charges according to the number of outlets, while the Town of New Toronto has a flat monthly charge. Where services are metered in these and the remaining municipalities, differences can arise in the method of minimum billing, in quantity rate reductions, in rate differences based on the size of meter or in the amount of meter charges as otherwise determined. In some jurisdictions none of these differentials is employed. Most water authorities allow prompt payment discounts on some basis while one municipality, North York, charges extra on overdue accounts.

Having indicated the complications, we report that comparatively heavy rates exist in the three largest townships and notably low rates in Leaside and the lakeshore municipalities. The City also has a favourable rate structure despite the doubling of Toronto's rates as a direct consequence of changes in the wholesale rate. The position was described in detail in Chapter III.

Amalgamation would therefore lead to substantial rate adjustments and some problems in effecting them.

BORROWING

Much has been made of the favourable rates which the Municipality of Metropolitan Toronto has been able to obtain in the Canadian and New York money markets. For the suburban municipalities which became linked with the City in the federation, Metro has reduced the cost of borrowed money. But this change has come about largely if not entirely through the top

credit rating which the City of Toronto had built for itself through conservative financing over a great many years. Where most of the suburban municipalities were in default in the depression, the City of Toronto has been able to boast of balanced budgets with one exception for half a century. Its long record of sound management has been recognized in its effective interest rates on both those Toronto debenture issues which are still being traded and on the City's temporary borrowing. Today, the City of Toronto is able to meet its temporary borrowing requirements at rates at least equally favourable to those of the Metropolitan Corporation.

Thus amalgamation would not hurt this area's borrowing rate by comparison with the performance of the Metropolitan Municipality and might bring some further slight improvement.

The City of Toronto would hope, and have good reason to expect, that its six installment system of tax billing would be uniformly adopted following amalgamation. This change would eliminate or very nearly so all need in future for temporary borrowing.

CHAPTER X

POLITICAL ACCEPTABILITY

TIME FOR A CHANGE

In its 1953 Report, the Ontario Municipal Board included as one of its four basic reasons for rejecting amalgamation its "grave doubt whether the need for reform of local government in this area justifies and requires the complete dissolution of the existing municipal institutions and the creation of a form of government which appears to be bitterly opposed by eleven of the thirteen local municipalities concerned." The Board gave considerable weight to this official suburban opposition because in the Board's view the City had failed to establish its contention "that the objecting municipal councils did not substantially represent the views of their ratepayers."

The attitude taken by the Municipal Board warrants further comment since it would be altogether unfortunate if amalgamation should again be rejected on similar grounds.

In weighing the significance of suburban opposition, account we suggest must be taken of the circumstances under which it was registered. The twelve suburbs were joined in a litigious proceeding. Having declared themselves as opponents of the City's application, it was their responsibility to bring out the arguments against amalgamation and on that side of the issue alone.

Refusal of the Toronto application, which had in addition the backing of Mimico, did it is true avoid imposing a Board order over stubborn opposition. Its other effect, however, was to deny to the City and Mimico, representing other large and important elements of the community the legal remedy to an admittedly serious problem which they were seeking.

When the Board's decision and recommendations were made public, the immediate result was to spark violent opposition by the City to the compromise solution which was offered.

In their meeting of February 3, 1953, the members of the Toronto City Council rose in turn to express their bitter disappointment at what the Board had done. At the end of the discussion, Council passed the following motion by a recorded vote of nineteen to one:

"That this Council advise the Provincial Government that the recommendations contained in the Report of the Ontario Municipal Board dated January 20, 1953 with respect to the application of the Corporation of the City of Toronto for amalgamation would be detrimental to and not in the best interests of the City and entirely unsatisfactory to this Municipality and that this Council has placed itself on record as being opposed to the implementation of the aforesaid report, and further that the Local Members of the Legislature be advised of this action and requested to do everything in their power to prevent the implementation of such report, and that all members of the Ontario Legislature be similarly advised."

The Ontario Municipal Board did not recommend any steps to ensure that their proposal was publicly acceptable and to be preferred over any other possible arrangement. And, despite City Council's stand, the Province went ahead with the necessary legislation. Those members of City Council who were sworn in as Metropolitan Councillors were soon busily engaged in preparing to make it work.

Since the denial of Toronto's first application for amalgamation, the boundaries of other major cities have been extended in the face of considerable local opposition. The applications of London, St. Catharines and Sudbury all came before the Cabinet for that very reason. The

stand taken against the O.M.B. order by the then Town of Merriton was particularly notable.

In considering the governmental requirements of the greater Toronto area, one is bound to recognize that, on the one hand, the maintenance of a satisfactory governmental structure may be expected to require periodic change and, on the other, that people are commonly reluctant to contemplate change and to accept it before the event. After it has happened, the story is different. If the need was real and the legislation was well conceived much of the opposition to it may be expected soon to die away. In addition, we cannot expect the public to devise or even necessarily to recognize ahead of time the particular plan of government which will serve them best. The complexity of public problems constitutes one very good reason for the appointment of Royal Commissions.

Again, public opinion is far from static on a commanding issue like the future of government in greater Toronto. As the subject is explored further, opinion may be expected to change. What is unpalatable to certain segments of the community today may prove far more acceptable to the same people later on.

Finally it must surely be recognized that the Metropolitan Federation as it now stands no longer represents a stable form of government. The choice we see is not *whether* Metro should be changed but *what kind of change should come*. And, in this regard, it seems at least equally important to bring in a plan of government which would gain support as it goes along as one which will catch the public fancy before it becomes law.

A NEUTRAL STARTING POINT

The magnitude of the change to amalgamation makes a preparatory period even more essential than when Metro was created. From the administrative aspect close to a year seems necessary to achieve a well-planned consolidation of each departmental operation.

There is another more serious problem. The Council of the new enlarged City should be the body to plan for and usher in the new administration. Under ordinary circumstances, the new body could be elected and carry on its work concurrently with existing Councils. But, with Metro, a considerable proportion of the active political leaders are already doing double duty. To add a third municipal responsibility would make their situation untenable.

Perhaps a plan could be worked out along the following lines:

1. Elections might be scheduled early enough to give those who were successful a period of two to three months before the new city council was expected to assume any formal duties.
2. During the interval the members of the new council might convene informally so that they could review plans and learn to work together. This period would enable councillors who were lacking in appropriate municipal experience to familiarize themselves with their forthcoming responsibilities.
3. At that stage, the new city council might take over the operations of the present Municipality of Metropolitan Toronto and the old Metropolitan Council would be disbanded.
4. For a further period of perhaps one year, the new city council would operate in this limited sphere and the local councils would remain in charge of the thirteen local municipalities.
5. Towards the end of the year, the new city council would assume complete responsibility for municipal operations throughout the enlarged city and it would thereupon proceed to make its own permanent appointments and to effect the actual administrative consolidation.

CHANNELS OF COMMUNICATION

This City is very concerned that, in an amalgamated municipality, the fullest constructive use should be made of districting

- 1) for administrative efficiency and convenience, and
- 2) in order to strengthen the relationship between councillors and constituents.

ELECTORAL TIES

Under the plan for an enlarged city as we have conceived it, the size of wards will remain quite within reason. Indeed, the *average* population under a twenty-four ward system would actually be less than the average now within the City of Toronto. Insofar as the public is concerned the ward contact will be no more remote. The position of alderman will be considerably more demanding. Yet that change seems to us the inevitable price which must be paid to keep the government of a big city both clear-cut and responsive.

The responsibilities of the alderman can, of course, be made easier through strong supporting services: conference rooms and office space, located perhaps in each of the six districts; competent secretarial help; telephone answering service at their home or business address. If, in addition, the administration deals efficiently in the first instance with enquiries and complaints directed to it, the contrast with present responsibilities may not be very great.

The system of wards and districts would enable each controller and the four aldermen from his district to constitute a standing committee for the consideration and processing of district problems. We do not suggest that they be empowered to act on any matter without final reference to the city council: and in this, they would resemble all other standing committees. They could, on the other hand, digest a great many problems and present the results to the council in condensed form. The district committees could consider applications for changes in zoning, hear delegations on a variety of matters, inspect and report upon public works developments, etc.

LOCAL ADMINISTRATION

In some instances, the system of wards and districts which is used for electoral purposes might serve as acceptable areas for district offices and depots for particular services. It has been suggested, for example, that a pattern of local and division headquarters might prove most suitable for an enlarged Department of Public Health charged with covering and co-ordinating activities throughout the two hundred and forty square miles of the enlarged municipality.

To us, two things seem important:

1. That all departments be encouraged to effect adequate decentralization of their work;
2. That each service which needs district offices — and we believe the vast majority will — works out a pattern tailored as closely as possible to its own requirements.

CHAPTER XI

TORONTO'S EXPECTATIONS

Since World War II, twenty-five of Ontario's thirty-two cities have been substantially enlarged in area and materially increased in population by successful annexations or amalgamations. A prime consequence has been to facilitate the ready extension of municipal services into their newer areas as urban growth has required.

When, in this metropolitan area, the thirteen adjacent suburbs become joined for all purposes with the central city, we look for some rather different dividends.

To begin with, we expect the emphasis to be on an extension at a uniform adequate level of another group of services. Health, welfare, recreation, public libraries, fire protection — all need strengthening in some present suburban municipalities. With amalgamation, such a development is brought within reach.

Then too, the areas in which Metro made most notable headway have required huge capital expenditures so that, despite the financing of many capital projects from current funds, our gross debenture debt is three and one-half times what it was ten years ago. Amalgamation can be the means of curbing a debt trend which can be accepted as a matter of short-term strategy but which could prove disastrous as a continuing policy. We can make progress in this direction because as one city the amount that must be borrowed can be allotted under a single listing of priorities and put to the very best use.

The establishment of Metro did pool sufficient of the metropolitan area's financial resources to stave off financial disaster in two fast-growing suburbs, North York and Scarborough. It has enabled the whole greater area to go on functioning, but at a heavy continuing price for particular area municipalities. Amalgamation will complete the financial equalization which federation began. It will permit us to husband our tax resources and to put them to work for the good of the whole area.

With the restoration of city government to its normal role, unnecessary administrative complications will come to an end. We can do away with the delays and duplication of effort which have been part of a two-level system. We can deal directly with the provision of services to the public, which is our prime reason for existence.

A single large city can continue to modernize and improve the administration. It can afford more top-quality specialists and indeed cannot afford to do without them. It can install more machines which will give us accurate and faster results. Municipal government can match the efficiency of big business at its best.

Local government for the Toronto area will become a simpler, more straightforward operation. It will be brought more within the reach of the public because people will understand it better. They will know how to take their problems to the civic administration in the first instance and will only have to appeal for help to the member of council if the normal channels prove unproductive. Today many people simply do not know which administration to approach with an inquiry or a problem. We would hope in a new city to strengthen the channels of communication between the public and the city government. We believe that the role of the elected representative can be made clearer and more fruitful and that the work of the official can become more responsible and more highly regarded.

Ten years ago, the Municipality of Metropolitan Toronto was a strange new creation of which people were fearful and about which they were confused. Today metropolitan government has been made real to the citizen even if the machinery is complicated and the deliberations of representatives may at times seem somewhat remote. An enlarged city can constitute a new and stronger image. It can inspire loyalty and become a source of civic pride for us all.

Concluding, we quote from the writings of the third president of the United States and the drafter of that country's Declaration of Independence, Thomas Jefferson:

"I am not an advocate for frequent changes in laws and constitutions. But laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths discovered and manners and opinions change with the change of circumstances, institutions must advance also to keep pace with the times. We might as well require a man to wear still the coat which fitted him when a boy as civilized society to remain ever under the regimen of their barbarous ancestors."

